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DAILY DIGEST

Prepared in the Press Service, Office of Information, U. S. Department of Agriculture to present items of interest to agriculture and to agricultural workers. Views and opinions in these items are not necessarily approved by the Department.

Vol. LXXXI, No. 21

Section 1

April 29, 1941.

MORGENTHAU FIGHTS
FOOD TAX AS
BURDEN ON POOR

From Washington, April 28, a New York Times dispatch says that Secretary of the Treasury Morgenthau Monday expressed absolute opposition to the proposal of Colin F. Stam, chief of staff of the Congressional Joint Committee on Internal Revenue Taxation, to impose excise duties on certain foods. Mentioning coffee, tea and sugar, the items suggested by Mr. Stam, Mr. Morgenthau said that these "would be the last thing that I wanted to tax. That is taxing the poor man's table. I don't see how you could pick worse examples and I'm 100 percent opposed. That goes for the taxing of all essential foodstuffs. The time may come when we will be forced to do it, but certainly not this year."

THREAT OF FAMINE
RAISED IN ENGLAND

From London, April 28, a story in the Baltimore Sun says that London shipping men asserted Monday that Britain today has in effect only one half of the shipping with which to supply her food and maintain her far-flung armies as she did when she entered the war a year and a half ago. Shipping experts declare that, unless there is a heavy and immediate spurt in American shipbuilding and measures of shipping protection even stronger than the American naval patrol in the Western Atlantic promised by President Roosevelt, Britain's fighting armies and civilian population might be starved out within a year, at the present rate of ship losses.

NEW GRAIN STORAGE
CONSIDERED
UNNECESSARY

From Chicago, April 28, a New York Journal of Commerce dispatch says that Chicago grain authorities apparently do not feel that any vast amount of new grain storage space will be essential at present, even with both wheat and corn carry-over stocks likely to reach new high record figures. It appears that the Government policy will be rather to shift Federal owned stocks to various points where room is available. It is asserted in some quarters that in the event of high loans there will be more incentive for farmers to increase their individual bin capacity on the farms. This will permit them to take advantage of the storage rates, to which they are entitled. The necessity for mass marketing at harvest time will also be obviated thereby to a great extent.

Argentine Export
Corporation
Approved By Bank

From Buenos Aires, April 28, a New York Times dispatch says that the Central Bank has approved the plan drawn up by a group of American business men for the creation of an export corporation whose purpose will be to create additional exchange for financing Argentine purchases in the U. S. by promoting the sale in the U.S. of Argentine goods that hitherto have found a very reduced market there or none at all. The corporation will be formed legally as soon as Presidential sanction is obtained.

New York
Dairymen Aided

From Ithaca, New York, the UP says that financial help to dairymen by establishment of new meadows and pastures on their farms and improvement of old fields is afforded by the 1941 New York State agricultural conservation program for New York State. Under the program, two meadow-seeding practices are offered to dairymen this year.

May Surplus
Food Designations
Announced by SMA

The USDA announced Saturday surplus foods which will be available during May to families taking part in the Food Stamp Plan. These are the nationally designated foods which will be obtainable in local stores in each Stamp Plan area in exchange for blue surplus food stamps. The May list of blue stamp foods does not include fresh onions, which were obtainable in all areas during April, nor fresh kale, which was available that month in designated areas. Otherwise, the May list is the same as the April list.

Weekly Cotton
Market Review

Cotton prices declined moderately during the week, reports the Agricultural Marketing Service. Spot market activity decreased. Reported repossession of loan cotton were about 73,000 bales for the 7 days ended April 22. Export buying was again negligible and domestic mill buying slackened further. Domestic mills continued to operate at an annual rate of more than 10,000,000 bales although consumption for the 1940-41 season is expected to fall short of this figure by about half a million bales. Mill sales of cloth and yarn were moderate but larger in volume than in the previous week. Prices changed very little but mill margins widened slightly. The weather early in the week continued mostly favorable for plowing and planting although rains were reported over a considerable portion of the Belt late in the week.

Huge Textile
Sales To Army

From Philadelphia, April 28, a New York Herald Tribune dispatch says that purchase of textiles and textile products by the Army Quartermaster Corps in the first nine months of the current fiscal year, from July 1, 1940, to March 31, 1941, totaled \$475,254,053. Since the defense program buying actually started several months prior to July 1, 1940, although in a smaller scale, total expenditures for textile items was approximately \$500,000,000.

Annual Butter
Production
Reaches High

The New York Journal of Commerce, April 29, reports that, according to the bureau of census, butter production annually in the U.S. has reached the highest total in the country's history, amounting, in 1939, to 2,204,154,923 pounds or 63.2 pounds for each of the nation's 34,861,625 families.

Wheat Prices
Gain, But React

From Chicago, April 28, the AP says that wheat prices pushed upward 1 1/2 cents a bushel Monday after a hesitant start, but reacted later, closing 3/8 to 1 1/4 cents higher than Saturday's finish.

Preliminary
Returns On Peanut
Referendum

Growers of peanuts voting in a referendum Saturday, April 26, approved the use of marketing quotas for the next three years, 1941-43, according to a preliminary tabulation of the U.S.D.A. Monday. The official returns will not be completed for several days. Preliminary returns show that 3-year quotas were approved by a vote of 50,327 to 7,632, or by 86.8 percent of the total 57,959 votes cast. A two-thirds majority of voting growers was required for approval of marketing quotas.

BAE Reports On
Feed Situation

The expansion of the Ever-Normal Granary program into a program to increase supplies of foods was the most important development in the feed situation during the past month. This program along with the prospective improvement in consumer demand is expected to hold live-stock prices at such levels as to cause an increase in the quantity of corn fed to livestock during the next 2 years. The extent of the increase will depend partly upon the volume of feed-grain production in 1941 and 1942. The increase in corn fed to livestock during the next few months will be limited by the relatively small number of hogs on farms. The program probably will result in a material increase in corn disappearance in the 1941-42 feeding season, since increases in the fall pig crop this year and the spring pig crop of 1942 are expected. Prospects continue for a record corn carry-over next Oct. 1. April 1 stocks of corn on farms and elsewhere totaled 1,423 million bushels, the largest on record for that date. Total disappearance during the first quarter of 1941 was about 66 million bushels smaller than during the same quarter last year. (BAE)

Food Stamp
Extensions

The USDA has announced the extension of the Food Stamp Plan to include Massac, Perry and Randolph Counties, Illinois, to Dickinson, Marion, Miami and Ottawa Counties, Kansas, and to Ashland County, Wisconsin.

Says European
Weeds "Invade"
United States

The Washington Post, April 29, says that Dr. M. L. Fernald, of Harvard University, said, in a report issued by the Smithsonian Institute Monday, that 1,000 European weeds, many of which were handsome flowers at home, have invaded the U.S. during the last 300 years. He mentioned St. James wort, an attractive English plant, which has become known to American farmers as "stinking Willie." Others are dandelion, burdock, white daisy, ~~witch~~ grass, Canada thistle, plantain, pigweed, dock and the devil's paint brush. "The army of weeds is reinforced," he added, "by every arrival of uncleaned European seeds, in the stockings, trouser bottoms, skirt hems and blankets of immigrants, and in the litter and old straw used in packing from abroad."

Agricultural
And Grazing
Ecology In Utah

In the Journal of Forestry, April, George Stewart, of the Intermountain Forest and Range Station, writes on "Historic Records Bearing on Agricultural and Grazing Ecology in Utah."

Freezing Fruits
And Vegetables
By Immersion

In Ice and Refrigeration, April, J. G. Woodroof, of Georgia Experiment Station, and J. O. Tankersley, of TVA, write on "Freezing Fruits and Vegetables by Immersion."

Plant Research
And Human Welfare

In Science, April 25, Dr. E. C. Auchter, Chief of the Bureau of Plant Industry, writes on "Plant Research and Human Welfare." Doctor Auchter contributes much of the development of modern civilization to the development of scientific methods in agriculture. "But this is not enough," he concludes. "Two other things are necessary. First, in order to maintain what we have, we must keep constantly on the job with.....research.....an plant diseases. You might call this defensive research: it is the method by which we defend ourselves against a host of hostile forces. Second, we have to have another even more far reaching kind of research that looks to the future. You might call this aggressive research..."

Harvesting
Grain Sorghums

In Agricultural Engineering, April, F. C. Fenton, head of the agricultural engineering department, Kansas State College, writes on "Harvesting Grain Sorghums."

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Vol. LXXXI, No. 22

Section 1

April 30, 1941.

HOUSE APPROVES FULMER BILL

From Washington, April 29, the New York Journal of Commerce says that the Fulmer bill, providing mandatory loans of 75 percent of parity to the growers of cotton, wheat, corn and tobacco and tightening up the marketing quota provisions of existing law on corn and wheat was passed by the House without a record vote late Tuesday. The measure now goes to the Senate, where there may be an effort to substitute the Bankhead bill (calling for 100 percent of parity on basic crops.)

NELSON HITS CONCENTRATION OF DEFENSE ORDERS

From Washington, April 29, a New York Journal of Commerce dispatch says that Defense Purchasing Director Donald M. Nelson Tuesday warned that the intense concentration of defense orders in Northeastern industrial areas has created "a whole series of log jams" which "could stall the whole program" if carried much further. Speaking before the U. S. Chamber of Commerce, Mr. Nelson said that 71 percent of the first \$8,000,000 in defense contracts was placed in 20 cities and their immediately adjacent industrial areas, while 68 percent of the first \$10,000,000,000 in defense contracts is held by 30 corporations. As a result, power and transportation networks have been overloaded, housing and civic services have been overtaxed, labor shortages have appeared, and manufacturing facilities have been "strained beyond capacity."

WOULD EXTEND CROP INSURANCE TO COTTON

From Washington, April 29, the AP says that the Senate Agriculture Committee recommended today that the present system of all-risk Federal crop insurance now limited to wheat, be extended to cotton. The committee reported favorably a bill by Senator John H. Bankhead, Democrat of Alabama, amending the present crop insurance act to include cotton planted for harvest in 1942. Under the government insurance program premiums and losses may be paid in the commodity or its cash equivalent, that is a farmer may contract to supply a certain number of bushels of wheat an acre as a premium. In case of crop failure or loss, he is to receive normal production, or a percentage of it on that acreage.

Cotton Shortage
Closes Many
English Mills

From London, April 29, the CTPS says that Oliver Lyttleton, president of the Board of Trade, informed the House of Commons Tuesday that a shortage of raw cotton and the need to maintain deliveries to 140 mills engaged in war work has necessitated withholding supplies from some 60 other mills, forcing them to close. He said the mills which are being supplied with cotton are being provisionally classed as "nucleus" mills and would be expected to contribute by a levy of funds for the care and maintenance of the closed mills.

March Exports
Climb To 14
Month High

From Washington, April 29, the New York Herald Tribune says that the Commerce Department disclosed Tuesday that lend-lease shipments of arms to Great Britain and Greece swelled U. S. merchandise exports in March to \$357,565,000, the highest total in 14 months, and that March imports of \$267,784,000 set a four-year high. The month's exports compared with \$309,388,000 in February and \$350,784,000 in March last year.

New York State
Nursery Menaced
By Forest Fire

From Albany, April 29, a New York Times dispatch says that a blazing forest fire Tuesday threatened to destroy New York's forest tree nursery at Saratoga Springs, one of the largest in the world. Kinne F. Williams, director of the Conservation Department's division of forest fire control, said that the fire was "running wild" and that efforts of more than 300 men fighting it were of no avail. "Right now," he said, "It looks like nothing can stop it."

Cotton Jumps
13 to 16 Points

The New York Journal of Commerce, April 30, says that belief that action on farm aid measures might be acted upon shortly stimulated further covering in cotton Tuesday and final prices were 13 to 16 points higher. The market opened 1 point lower to 4 higher, and steadily rose to gains of 16 to 19 points. March rose to 11.39 cents, a new high for the season.

Cuba's Sugar
Exports To U.S.
Sharply Higher

The New York Journal of Commerce, April 30, says that the Cuban exports of sugar from January 1 to April 26 totaled 941,547 long tons, raw value, as compared with 842,373 tons during the same period last year, an increase of 99,174 tons or 11.8 per cent, according to advices from Havana to Lamborn & Co.

Reports New
Test For
Trichinosis

From Buffalo, April 29, a New York Times dispatch says that a new method for diagnosing trichinosis in human beings was reported by Dr. Ernest Witebsky, Associate Professor of Bacteriology and Serology of the University of Buffalo Medical School at the 135th annual meeting of the Medical Society of the State of New York. As developed by Professor Witebsky, the test tube method is used, and the technique is similar to the Wassermann test for syphilis. The test was described as specific and was said to bring no false positive results. Doctor Witebsky described the method as a complement-fixation test.

English Use
Straw To
Make Paper

The New York Times, April 30, says that imports of timber, wood pulp and esparto grass having almost stopped, due to the war, paper makers in Britain are turning to straw. It is estimated that 250,000 tons annually will be required and the manufacturers have agreed with the National Farmers' Union, through the Paper-Makers' Straw Trading Company, to pay 70s a ton for first quality straw baled at the farm in all parts of the country except the Eastern counties, where the price is 5s lower. In some European countries, the manufacture of paper from straw was a well-developed industry before the war.

Wickard Calls
For Increased
Milk Production

Secretary Wickard Tuesday said prospective export needs for dairy products, particularly cheese, evaporated milk, and dried skim milk, plus increasing consumer demand for dairy products in this country, made it desirable that milk production in the U. S. be increased by 6 to 8 percent. Most of the increase, he said, should be made in production areas which have access to milk-evaporating and cheese-making plants. The Secretary also pointed out that of the milk available for the manufacture of dairy products a somewhat larger proportion than normal should be used for cheese and evaporated milk. This, he said, can be done through supporting prices of those products at levels somewhat higher than usual in relation to the price of butter.

USDA Reports
Food Purchases

The USDA Monday announced the purchase of the following food supplies during the period April 20 through April 26:

<u>Commodity</u>	<u>Quantity</u>	<u>Commodity</u>	<u>Quantity</u>
Eggs	134,703 cases	Oranges	10,626 boxes
Cheese	3,018,600 pounds	Grapefruit	739 tons
Lard	21,718,400 pounds	White Potatoes	74,400 bushels
Pork Products	40,418,884 pounds	Fresh Apples	210,493 bushels
Dry Beans	9,990,000 pounds		

Farm Products
Prices Up
Seven Points

Prides of farm products at local markets advanced 7 points during the month ended April 15 -- the sharpest rise since war was declared in September 1939, the USDA reported Tuesday.

At 110 percent of the 1910-14 level, the all-commodities index in mid-April averaged 12 points above a year earlier, and was the highest since October 1937. Chicken and egg prices made material gains, meat animal prices were up, and dairy product prices rose contraseasonally during the month. By mid-April, grain and cotton prices were also well above March levels, though wheat prices during the last half of the month have declined substantially.

Domestic demand, as measured by earnings of factory workers, continued to strengthen in response to some increase in industrial wage rates and more employment. Mill consumption of cotton and wool exceeded all previous records in March, while output kept pace. On the other hand, foreign demand for agricultural products on April 15, as indicated by purchases for export, continued near the record low levels of recent months.

AAA OK's Increase
Of Tomatoes And
Other Vegetables

The USDA announced Tuesday that changes in the 1941 Agricultural Conservation Program of the AAA will be made to allow tomato growers "full speed ahead" in expanding their production in response to the food for defense program. AAA provisions will be amended so that farmers who contribute to the requested expansion will not incur deductions from their farm program payments because of increases made this year in acreage of tomatoes grown for processing. The amendments will also apply to corn, peas, and snap beans grown for processing, since the food for defense program calls for some increases of these crops. In general, the amendments will provide that: (1) In determining compliance with vegetable acreage allotments in 1941, acreages of tomatoes, corn, peas and snap beans grown for processing in any form will not be considered as commercial vegetables. In effect, this encourages such expanded production of these four vegetables for processing as farmers find possible to fit into their farming plans. (2) Acreages of these four crops grown for processing will not be classified as soil-depleting in 1941. This change will enable growers in areas where total soil-depleting allotments are applicable to expand the acreages of these crops without incurring deductions from their payments.

School Milk
Bids Rejected

All bids received from milk handlers for supplying milk to 25 schools under the Birmingham, Alabama (including Jefferson County), and to 30 schools under the Omaha, Nebraska, school milk programs, were rejected Tuesday by the USDA. The bids were rejected, according to Department officials, because they were too high. Further it was stressed that bids must be competitive. New bids will be requested immediately.

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Vol. LXXXI, No. 23

Section 1

May 1, 1941.

WALLACE ISSUES WARNING TO U.S.

From New York, April 30, a Baltimore Sun dispatch says that Vice President Wallace, in an address Wednesday night, declared that the issue of "slavery or war" might be soon forced on the U. S. as it has been forced on other nations, and urged greatly increased defense production to avert the threat of Nazi conquest in this hemisphere. Nazi agents, Mr. Wallace declared, were already taking advantage of every opportunity "to stir up conflict and confusion" in the U. S. "so as to soften us.....for easy conquest, as they have softened and confused other nations."

EUROPE TO BE HARD PRESSED FOR FOOD AFTER WAR

From New York, April 30, the AP says that the National Industrial Conference Board reported Wednesday, after a survey, that despite German domination of most of Europe and resultant leveling of most trade barriers, the continent would be hard pressed to overcome deficiencies in foodstuffs and raw materials. The board reported that, before the war, only seven nations, excluding Russian-controlled countries, were self-sufficient in food. Shortages of foodstuffs, raw textiles, fuel products, rubber, metals, tobacco and fertilizer may hamper the Nazi "new order," the board said.

U.S. TO EXPAND PURCHASING IN LATIN AMERICA

From Washington, April 30, a New York Herald Tribune dispatch says that Jesse Jones, Federal Loan Administrator, disclosed Wednesday that the U. S. will expand its purchases of commodities and raw materials other than tin, copper and turpentine, produced by Latin American countries. Mr. Jones said that Warren Lee Pierson, president of the Export-Import Bank, is conducting a survey of commodities which the U. S. could purchase from these countries and which are needed, or are not produced here. He also said that, of the loans authorized by the Export-Import Bank, "very little" has been taken by the borrowing countries.

Forest Fires
Sweep Through
New England

From Albany, April 30, the UP says that New York Governor Lehman banned the public from the State's vast forests Wednesday, automatically closing inland streams to all fishermen, as sixty-one forest fires swept through tinder-dry areas and caused heavy damage. Meanwhile, from Boston a UP story says that forest fires swept through scattered areas of New England Wednesday, destroying more than a dozen cottages and threatening villages.

News On Farm Bill
Aids Wheat Upturn

The New York Journal of Commerce, May 1, says that, influenced by the news from Washington, which stated that the Fulmer bill was passed by the House, and expectations that it will pass the Senate possibly before the end of the week, wheat futures at the principal trading centers of the West advanced a little over 1 cent a bushel Wednesday. However, as the session progressed, there was no follow through buying and, no doubt, the hesitant attitude adopted by most traders was responsible for the selling of later in the day. At Chicago, futures finished unchanged to 1/8 cents lower.

Madrid Restricts
Restaurant Meals

A special story to the New York Times, from Madrid, April 30, says that the press, which Tuesday embarked upon another meaningful campaign, suddenly abstained from all political comment Wednesday. Under the regulations announced Wednesday, restaurants can serve meat only when meat is being distributed in that neighborhood to everybody. They can give their clients only the amount of bread to which they are entitled on a household ration card. This bread ration is now back to three ounces a day for the well-to-do. For months this winter it was half that.

Cotton Oil Trading
Makes New Record

The New York Journal of Commerce, May 1, says that cottonseed oil futures on the New York Produce Exchange reached a new monthly record in April, the total volume amounting to 8,704 contracts. The previous record, established in March of this year, was 8,076 contracts.

Cotton Up 16
To 20 Points

The New York Times, May 1, reports that, moving to establish higher price for the cotton farmer, the passing of the Fulmer bill, was the force which moved cotton prices in the local market Wednesday to new high levels for the season, with gains of 16 to 20 points. The market opened 3 to 5 points higher and at one time was up 22 to 24 points, the distant months touching 11.59 cents, the highest price at which the futures have sold since 1937.

Duluth-Superior
Milk Program
Effective May 5

The USDA announced Wednesday that a Federal marketing agreement and order for the handling of milk in the Duluth-Superior (Minnesota-Wisconsin) marketing area, will become effective May 5, 1941.

The program provides for the establishment of minimum prices which handlers are to pay producers for milk sold in the Duluth-Superior area.

Toledo School
Milk Program
Announced

The USDA Wednesday announced approval of a program under which more than 4,000 Toledo, Ohio, school children from low-income homes will be eligible to receive a glass of milk (half-pint) daily for the remainder of the current school year. The plan is similar to programs now making a glass of milk available daily to nearly 300,000 New York and Chicago school children.

BAE On Farm
Income Situation

Cash income from farm marketings and Government payments in March amounted to 688 million dollars compared with the revised estimate of 632 million dollars in February, and 604 million dollars in March last year. The marked increase in income in March as compared with a year earlier resulted largely from increased returns from livestock and livestock products, but income from crops and from Government payments also was slightly larger than in March last year. Income from crops increased much more than seasonally from February to March because of larger returns from grains and fruits. Income to cotton growers was aided somewhat during March by redemption and sale of cotton which had been under loan. Government payments in March totaled 71 million dollars compared with 67 million dollars in March last year and 82 million dollars in February. During the first 3 months of 1941 cash farm income, including Government payments, amounted to 2,074 million dollars, or 84 million dollars (4 percent) more than in the corresponding period of 1940. Income from farm marketings of 1,834 million dollars was 135 million dollars (8 percent) higher than a year earlier, whereas Government payments were 51 million dollars less than in the corresponding period of 1940. The increase in returns from farm marketings was entirely accounted for by livestock and livestock products, especially meat animals.

Mineral Oil For
Corn Earworms

Country Gentleman, May, says that, according to research being carried on by S. Marcovitch and W. W. Stanley, of the Tennessee Experiment Station, mineral-oil treatments give promise of being a good method for controlling earworm on sweet corn. They recommend for this purpose an application of from 1/2 to 3/4 cc. (15-22 drops) of any heavy, highly refined, white oil of standard U.S.P. quality. Oil should be applied four days after silks first appear on the corn. For best results, it should be placed within the silk channel, so as to form a barrier.

Wickard Appoints
Wells As Special
Assistant

Secretary Wickard announced Tuesday the appointment of J. E. Wells, of the Farm Credit Administration, as his special assistant -- to coordinate activities of the Department relating to utilization of grain storage and to plan the flow of grain during the coming harvest so as to avoid traffic congestion. The Transportation Division of the Office of Emergency Management has reported to the Secretary that cars will not be available for grain movement unless storage space is available at the destination point, thus making immediate unloading possible and allowing maximum use of cars in carrying defense items. Also, some men in the grain trade have expressed anxiety concerning the problem of storing the grain carryover and new crop grain. Mr. Wells is calling meetings of representatives of the grain trade, the railroads, the trucking industry and officials of the Department.

BAE On Vegetable
Situation

With general improvement in weather conditions in much of the spring-producing areas of the South and West, both marketings and prospective future supplies of new potatoes and truck crops are increasing. The increased supplies have caused market prices of many vegetables to turn downward in recent weeks. The averages for late April were generally lower than a month earlier. Supplies of new potatoes for immediate marketing are not as large as at this time last year, largely because of a reduction in the crop in north Florida, but supplies in prospect in the second section of early States, the harvest of which begins in May, probably will be slightly larger than those of a year earlier. There are also adequate supplies of old stock potatoes available.

Food Stamp
Extensions

The USDA announced Wednesday that the Food Stamp Plan will be extended to Saginaw and Shiawassee Counties, Michigan, and these 10 Ohio counties: Wood, Richland, Columbiana, Huron, Ashland, Carroll, Lorain, Trumbull, Sandusky, and Jefferson.

Britains Food
Subsidies Cost
360 Million A Year

From London, April 30, the CP, says that Maj. Gwilym Lloyd George, Parliamentary secretary to the Ministry of Food, told the House of Commons Wednesday that the government was spending \$360,000,000 annually in subsidies "to keep the price of food down."

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Vol. LXXXI, No. 24

Section 1

May 2, 1941.

WICKARD OPPOSES FILIPINO SUGAR LEGISLATION

The New York Journal of Commerce, May 1, says that the Senate enactment of the Adams bill to allocate the unfilled quota of Philippine sugars to the domestic and territorial cane and beet producers was opposed Thursday by Secretary Wickard in a formal report to the Senate Finance Committee. Secretary Wickard took the position that the legislation would run counter to the established policy of the Administration to develop and improve trade with other American republics.

DUGGAN ADVISES FARMERS TO HOLD COTTON

From Little Rock, April 29, a Memphis Commercial Appeal story says that I. W. Duggan, AAA Southern Division chief, urged the cotton farmers of the South Tuesday to refuse to sell their 1941 cotton for less than parity prices. Conferring with AAA State Committeemen, Mr. Duggan cited the increasing costs of things that farmers buy and the increase in mill margins for manufacturing cotton into cloth, and proposed that growers hold their loan equities and 1941 cotton for the parity price of 15.87 cents per pound. The average farm price during March was 9.72 cents, he said.

WICKARD ADVISES FARMERS TO BUY U.S. BONDS

Secretary Wickard spoke Thursday during the USDA period of the National Farm and Home Hour over the NBC Blue network on "The Farmer in Defense Financing." Saying that farm incomes will increase sharply, Mr. Wickard said that "farmers have a place for almost every dollar, but if they can use some of this money to invest in defense securities, they will serve the nation and themselves; they will build a backlog of buying power that may help greatly to cushion a possible shock to farm income when defense and war demand for farm products eases off. Furthermore, when farmers buy defense savings bonds they are buying an obligation of the greatest nation in the world from the standpoint not only of wealth and resources but of human freedom and liberty."

May 2, 1941.

Henderson Denies
Price Ceiling Can
Upset Farm Aid

The New York Journal of Commerce, in a story from Washington, May 1, says that Leon Henderson, chief of the O.P.A., said Thursday that establishing of ceiling prices throughout industry will in no way upset Government policy of establishing a floor under agricultural prices. In a letter to Rep. Cannon (Dem., Mo.), Mr. Henderson said that he would "recognize what Congress and the present Administration have always recognized and have written into law -- namely, that the prices of many farm products in past years have been too low to provide the farmer with a decent living wage for his labor." However, should there be a speculative advance in farm product prices which "unreasonably anticipates heavy domestic or British buying, then action will be taken," he added. "We will take it with the speculator rather than the farmer in mind."

Wickard Refuses
To Call New York
Milk Hearing

The AP, May 1, says that Secretary Wickard declined Thursday to grant the request of a group of New York Congressmen for a special hearing on fluid milk prices paid to producers under the Federal milk order for New York. Mr. Wickard wrote Rep. Culkin (Rep., N.Y.) that it was questionable whether the labor cost factor was a sufficient basis for an emergency hearing.

Control Of Farm
Prices Protested

From Chicago, May 1, the AP says that a chorus of protest against the Government's control of farm commodity prices broke out Thursday at an emergency meeting of the National Cooperative Milk Producers Federation. Nearly 200 delegates, claiming to represent 1,000,000 farm families, attended the opening session of the meeting, which was called by the federation to chart a unified national program for the dairy industry and allied groups participating in the defense efforts.

Texas Retail
Grocers Back
Stamp Plan Move

From Dallas, May 1, a New York Journal of Commerce dispatch says that Texas retail grocers expect to participate generally in operation of the food stamp plan, following favorable action by the State Legislature to remove barriers which have previously restricted Texas' participation in the national food stamp program. Under a holding by the Attorney-General some time ago, county commissioners and the agents of other political subdivisions of the State were stopped from appropriating public funds to put the plan into operation. Under House bill No. 201, the barrier raised by the Attorney-General's opinion is removed.

Nargus Convention
To Discuss Plans
For Food Control

From Chicago, May 1, a New York Journal of Commerce dispatch says that, with war clouds bringing threats of food rationing to America as well as Europe, and with Washington setting up consumer's committees and carefully watching retail food prices, the forty-fourth annual meeting of the National Association of Retail Grocers, meeting in Chicago June 15-19, rapidly is assuming international importance. The four-day session, with its associated organizations and exhibition, annually draws an attendance of 5,000 independent retailers from throughout the country.

Futures Trading
Maintains Pace

The Journal of Commerce, May 2, says that, according to its compilation, trading volume in leading commodity futures markets in April totaled 187,556 contracts. This was slightly less than the March total of 199,892 contracts. However, on a daily average basis the trading volume in April was actually moderately larger than in March, figuring 8,649 contracts as against 8,159 contracts per day in March.

Davis Says Food
Is Defense Basis

From Dearborn, Michigan, May 1, the UP says that Rep. Davis (Dem., Tenn.) Thursday told a National Farm Youth Foundation luncheon that "plowshares, not bombs, will eventually decide the issues" of the current war. "Food alone is the basis for any defense," he said, and added that, for that reason Americans should undertake at once a "constructive program" to meet heavy domestic and foreign demands.

Venezuela Offers
Land For Tropical
Agriculture Study

The Inter American Committee on Tropical Agriculture Wednesday made public an offer it has received from the government of Venezuela of 4000 acres of valuable agricultural land for the establishment in Venezuela of the Inter American Institute of Tropical Agriculture, following a meeting held at the Pan American Union. The property offered by Venezuela for the location of the Institute is situated about two miles from Puerto Cabello and includes forest, farm, and pasture lands. The entire property is crossed by a paved highway. A railroad line also crosses the property, connecting it with Caracas, La Guayra, Valencia, and Maracay. The government has also offered to hold in reserve an additional 6000 acres for the future expansion of the work of the Institute. The establishment of an inter American experimental center dedicated to the teaching of agriculture and the carrying out of research work on plant diseases, soil studies, seed improvement, etc., was originally proposed at the First Inter American Conference on Agriculture, which met in Washington in 1930. (Pan American Union Press Release.)

Firm Fined For
Grain Standards
Act Violations

The Mississippi Valley Grain & Feed Company of Muscatine, Iowa, charged with violations of the U. S. Grain Standards Act, has been fined \$10 on each of three counts, and \$25 on another, according to information received by the USDA from the U.S. Attorney at Des Moines. The firm entered a plea of nolo contendere on April 22. The offenses for which the firm was fined involved the consignment for sale by grade of two lots of corn from or to points at which inspection was available without having the grain inspected.

Citrus Products
Progress Cited
In USDA Circular

Results of chemical research on citrus fruit products by the USDA are reported in a new circular, Citrus Fruit Products. The authors, E. M. Chace and H. W. von Loesecke of the Bureau of Agricultural Chemistry and Engineering, tell about new products from these fruits and new methods and equipment for making products already known and used. Department methods of making pectin, citric acid and orange and lemon oils are said to be worth \$2,500,000 a year in added returns to citrus growers in California alone. The publication covers work with preserved juices, vinegar, citric acid, canned fruit segments, frozen fruits, alcoholic beverages, essential oils, glucosides, pectin, candied peels, marmalades, jellies and orange butter.

Bigger Flax
Acreage Urged

The USDA Thursday called to the attention of flax growers the opportunities which are available under the Agricultural Conservation Program of the AAA to expand the acreage and production of flaxseed. The announcement was made following conferences with representatives of the drying oils industry who said they anticipate increased use of drying oil in 1941 and the possibility that normal imports may not be obtained. In view of the possibilities of increasing acreage within the present provisions of the program, no changes will be made in the flax provisions for the 1941 Agricultural Conservation Program.

Additional
Soybean Standard
Meet In Chicago

Another public conference on the proposed changes in the U. S. standards for soybeans -- to be held May 12 at 3 p.m. in Room 300 of the Board of Trade Building, Chicago, Illinois -- was announced today by C. W. Kitchen, Chief of the USDA's Marketing Service. This is the fifth conference scheduled.

DAILY DIGEST

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Vol. LXXXI, No. 25

May 5, 1941.

SENATE COMMITTEE REJECTS FULMER BILL

The New York Journal of Commerce, May 3, says that plans of the Congressional farm bloc to boost the income of agriculture by higher commodity loans and increased parity payments to growers were snagged Friday when the Senate Agricultural Committee refused approval of the Fulmer bill, with its provisions for 75 percent parity loans, in the form in which it passed the House. According to Senator Bankhead (Dem. Ala.), members of the group voted unanimously to boost the loan level to 85 percent of parity for the five basic crops--cotton, corn, wheat, tobacco and rice--and to write into the measure provisions for strict control of production of wheat and cotton.

CAPITAL STUDIES PROPOSAL TO USE SURPLUS COTTON

From Washington, May 2, a New York Herald Tribune dispatch says that officials of the Defense Commission, Office of Production Management and of the USDA are giving "serious consideration" to a plan designed to convert the government's huge cotton surplus into a \$2,500,000,000 asset. Samuel C. Lamport, of Lamport Co., New York, is the originator of the plan and is in Washington conferring with Government officials on all its phases. Basis of the plan would be a commission composed of representatives from the Departments of State, Labor, Commerce and Agriculture. The commission would have the cotton processed and transformed into cloth, half of which would be made into garments and half stored as a reserve for use in case of need. The converted cotton would thus be available as a means of creating a war reserve in textiles to insure the Government against inflation by private manufacturers and would provide a stock pile for any possible economic conflict developing in the post-war era by allowing the U.S. to undersell competitors on the world market.

CAMPBELL SEES BRITISH FLAX RISE

May 5,
The New York Journal of Commerce, says that Sir Gerald Campbell, British envoy extraordinary and minister plenipotentiary to the U. S., told the Linen Trade Association Friday that England expects to produce six times as much flax this year as before the war. "Before the war," he said, "we had only 20,000 acres under cultivation with an output of 4,000 tons; this year we shall have 110,000 acres under production with an estimated yield of 25,000 tons."

Food Marketing
Inquiry Begins
Tuesday

From Chicago, May 2, the UP says that the anti-trust division of the U.S. Department of Justice has announced that the Federal Grand Jury will begin investigating marketing of meat, bread, canned fruits and vegetables, dairy products and other foods on Tuesday (May 6). Dan B. Britt, special assistant in charge of the Chicago anti-trust office, said 100 subpoenas had been served upon packing company officials. They have been ordered to bring into court their records dating back to 1936.

New Rise In
Retail Food Cost

From Washington, May 4, the UP says that a further rise in the retail cost of food was reported Saturday on the heels of a warning of Administration spokesmen that unwarranted price increases for food and clothing would necessitate Government action to prevent inflation. The Bureau of Labor Statistics of the Department of Labor reported that retail prices of all types of food, which had shown a "moderate and steady advance" since last November, increased 2.2 percent between March 18 and April 15 in principal cities of the country.

March Sugar
Exports Show
Sharp Decline

The New York Journal of Commerce, May 5, says that refined sugar exports by the U.S. during March amounted to 4,560 long tons, as against 15,131 tons in March last year, a decrease of 10,571 tons. According to Lamborn and Co., for the first three months of 1941 the exports totaled 12,273 tons, as contrasted with 42,975 tons during the similar period last year, a falling off of 30,702 tons, or approximately 71 percent.

Reich Prisoners
Lift Farm Output

A wireless dispatch to the New York Times from Berlin, May 4, says that Germany's ability to maintain agricultural production close to peace levels is largely attributed to the employment of war prisoners and civilians from the occupied territories thus relieving the shortage of farm labor due to successive German mobilizations. The foreign labor engaged in German agriculture was recently reported by the Reich Statistical Bureau at 1,391,000.

Swedish Winter
Grains Promising

From Stockholm a dispatch to the New York Journal of Commerce, May 5, says that Swedish winter grains have, on the whole, survived quite well. In central Sweden the fields are still covered with snow and the ground is frozen, which means that spring plowing will be delayed at least two weeks beyond the usual date. Sweden has tobacco on hand for at least two years, large supplies having been imported from Greece just before the German invasion began.

Watermelon
Program
Terminated

The USDA has announced termination of the Federal marketing agreement program for watermelons produced in Florida, Georgia, North Carolina, and South Carolina. A program, regulating the handling of watermelons in interstate and foreign commerce, has been in effect since August 1934. Regulatory provisions were suspended during the 1940 marketing season on recommendation of the Control Committee. Decision to terminate the program was made at a meeting in December of the Control Committee, attended by representatives of the Surplus Marketing Administration, in the belief that, because of changed conditions, the program could not be operated effectively during the 1941 season.

4-H Membership
Biggest Ever
In 1940

4-H Club enrollment for 1940 was the biggest ever, the USDA reported Saturday. The report, by M. L. Wilson, director of the Federal Extension Service, shows 1,420,297 boys and girls listed as members of 79,721 4-H Clubs. Greatest membership gains are reported in the southern states, Alabama again leading with a membership of 115,193. Texas is second, with 88,091 members, and Georgia third with 82,962 boys and girls enrolled.

"Round The World
With Cotton" New
USDA Publication

Publication of "'Round the World With Cotton," a 150-page illustrated book dealing with cotton in the United States and foreign countries was announced Saturday by the USDA. The book was prepared under the supervision of I.W. Duggan, director of the Southern Division of the Agricultural Adjustment Administration and Paul W. Chapman, dean of the College of Agriculture, University of Georgia. It contains a foreword by former Secretary of Agriculture Henry A. Wallace. The contents are divided into three sections. Part One, entitled "The Story of Cotton," deals with the importance and history of cotton as one of the leading crops of the world. Part Two, "Cotton in Foreign Lands," takes up the conditions under which cotton is produced in India, China, Egypt, Russia, Brazil, and some other countries. Part Three, "Cotton in the United States," goes into the growing and selling of cotton in the 1600-mile long cotton belt of this country.

Futures Trading
In Wool Tops
Declines Further

Trading in wool top futures on the New York Wool Top Exchange totaled 4,320,000 pounds in April, a decrease of 35 percent compared with March and a decrease of 67 percent compared with April 1940, the Commodity Exchange Administration said Friday.

April Trading
In Butter,
Egg Futures

Trading in butter futures on the Chicago Mercantile Exchange amounted to 1,208 carlots in April, compared with 1,481 in March and 375 in April last year, the Commodity Exchange Administration reports. Open contracts outstanding on April 30 this year were 498 carlots, up 263 for the month. On the New York Mercantile Exchange, only 1 carlot of butter futures trading was reported for April, and 35 carlots of egg futures.

Cotton Futures
Trading Declines
During April

Futures trading in cotton aggregated 3,060,800 bales during April, a 21 percent decline compared with the relatively high level established in March, the Commodity Exchange Administration has reported.

The volume in April 1940 was 2,817,100. Trading on the New York Cotton Exchange during the past month was 2,375,200 bales, a decrease of 25 percent compared with March. The volume on the New Orleans Cotton Exchange was 685,300 bales, a decrease of 6 percent. Trading in cotton futures on the Chicago Board of Trade was only 300 bales.

Stamp Plans
Extended

The USDA has recently announced the extension of the Food Stamp Plan to Manchester, Connecticut, and of the Cotton Stamp Plan to these 16 Counties in New Mexico: Bernalillo, Chaves, Curry, De Baca, Dona Ana, Eddy, Grant, Harding, Hidalgo, Lea, Luna, Otero, Quay, Roosevelt, Sierra and Socorro.

Food-For-Defense
Program Getting
Under Way

Results of the Government food-for-defense program are expected to become quickly apparent during the next few months. Abundant supplies of feed at relatively low prices favor increased production of pork, dairy, and poultry products, according to the Department of Agriculture's monthly round-up of the agricultural situation, prepared by the B.H.E. Prices, income, and costs of production are expected to average higher this year than last. Farmers are being urged by the Department to feed hogs to heavier weights and to increase breeding for fall litters....to increase milk production (for heavier manufacture of concentrated dairy products) through supplemental feeding during the pasture season....to expand poultry laying flocks and to feed for maximum egg production....to increase the marketings of cattle for slaughter....to increase the production of cannery tomatoes. The new production season is off to a good start on food and feed crops, new cotton and tobacco crops will be planted this month, and harvesting of a new winter wheat crop will soon be under way. The USDA anticipates no general shortage of farm labor during this period. Another peak load of farm employment requirements will come later in the season when field crops generally are ready for harvest. The Department expects that marketings of cattle for slaughter will be larger this year than last. Consumer demand for meats is increasing, and larger marketings now may net producers a larger income than a few years hence when marketings may become excessively heavy in relation to consumer buying power. Cattle are among the few farm commodities now selling above parity....Marketings of early lambs are fairly heavy now, the lambs are of better-than-average quality, and prices are higher than at this time last year.

Spineless Okra
Developed

Capper's Farmer, May, says that an okra more pleasant to handle and more desirable for canners, known as spineless, was developed by T.M. McGinty, horticulturist at the South Carolina Experiment Station, while he was a member of the Oklahoma Station staff. Frank Cross, Oklahoma horticulturist, reports that both long and short, white, and green types are now available.

DAILY DIGEST

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Section 1

May 6, 1941.

UTAHANS TOLD CANNED TOMATO INCREASE ORDER TOO LATE

The New York Journal of Commerce, May 6, says that the difficulties of expanding the 1941 pack of canned tomatoes 50 percent under the program recently announced by the USDA have been explained to the Utah Cannery Association. There, it has been pointed out, the announcement came 60 days too late to provide additional plants that will reach maturity in time for the fall harvest. Anxious as the canners are to meet the Federal requirements, they are confronted with the hard fact of availability of plants, at least in that State.

PRICE-FIXING CASES TO BE TRIED - JUNE 2

From Lexington, Kentucky, May 5, the AP says that trial of the three major tobacco companies on charges of criminal monopoly and price fixing, scheduled to begin today, was reset by Federal Judge H. Church Ford for June 2. The "big three" companies, R. J. Reynolds, American Tobacco and Liggett and Myers, five subsidiaries and twenty-one executives are to stand trial.

DAIRIES ACCUSED UNDER TRUST LAW

From New York, May 5, the AP says that a Federal grand jury Monday indicted Sheffield Farms, Inc., the Borden company, four subsidiary concerns and thirty-three individuals on charges of conspiracy to violate the Sherman Anti-Trust law and fix milk prices in the area. The true bill alleged that the defendants, which it is said sell sixty per cent of all store-bought milk in the city, conspired to control the prices of wholesale milk from April 1, 1937 to date.

GREECE SUFFERING SHORTAGE OF FOOD

From Cairo, May 5, a New York Times dispatch says that reports from persons who have managed to get out of Greece during the last few days and who have actually been in Athens and Salonika since the German occupation indicate that conditions, particularly with regard to food, are, as one said, "unbelievably bad" and likely to become progressively worse. Greece, generally speaking, was never more than 60 percent self-supporting. Last autumn's crops failed for the most part because of winter drought. Grapes and raisins did not prosper. Recently it had become necessary to import 160,000 tons of wheat monthly. Other staples, including rice, beans, meat and sugar were also imported.

May 6, 1941.

2 U.S. Food
Cargoes For
Vichy Arrive

From Vichy, May 5, a New York Times dispatch says that the arrival of the two French ships bringing the U. S. Government's gift of 14,000 tons of flour to unoccupied France was announced in an official communique published Monday. Conditions for distribution are now in preparation.

Wheat Down
After New Peak

From Chicago, May 5, the AP says that profit taking throttled an attempt to extend the grain price advance Monday, but only after early gains of a cent a bushel had lifted May wheat to 95 cents, highest in a year, and May corn to 70 1/8 cents, highest since 1937. At closing, May wheat was at 94-1/8@94-1/4 and July 92-7/8@93. May corn finished at 69-1/4 and July 69-3/8.

Dollar Volume
In Retail Food
Stores Higher

The New York Herald Tribune, May 6, says that food purchasing in retail stores is showing steady increases in dollar volume over last year, according to the American Institute of Food Distribution, Inc. The effects of the defense spending and the spiraling of consumer incomes largely account for the consistent gains, although rising retail prices are playing their part. Reports from food wholesalers also show good increases over last year. Virtually nine out of ten of the wholesalers reporting have had gains in the last two weeks, some only small fractions, but others as much as 35 percent.

USDA Reports On
Nation's Grain
Storage Capacity

Almost complete returns on a Nation-wide survey show the total rated storage capacity for grain, beans, and flaxseed as of March 1 was 1,505,943,000 bushels, the USDA reported Monday. When all returns are in it is estimated that this capacity will be increased by about 3 percent, and new construction either under way or planned as of March 1 would add 70,754,000 bushels of storage space. Bulk storage capacity reported was 1,173,776,000 bushels; sacked storage, 317,976,000 bushels; and crib storage, 14,191,000 bushels. The survey covered all commercial storage facilities, including idle plants that could readily be placed in operation, but it did not include farm storage nor the 136,000,000 bushels of storage represented by steel bins owned by the Commodity Credit Corporation on March 1. Officials said that the storage situation is not serious from the standpoint of the United States as a whole but a shortage of space for handling the 1941 winter wheat crop does exist in some areas.

USDA Issues
Report On
Land Use

The USDA Monday issued a special report on "State Legislation for Better Land Use," a summary of State land use problems and actions that Secretary Wickard, in a foreword, described as "the Department's contribution to a related work that closely parallels its own, but a work in which initiative lies with the States." The report -- a study of State legislation -- deals with land-use problems such as rural zoning, water laws, soil conservation, farm tenancy, rural local units of government, tax delinquency, State purchase of lands, and the administration of such lands in the public welfare. It was prepared by the Department's Interbureau Committee on State Legislation for Better Land Use.

Food Stamp
Extensions

The Department of Agriculture announced today that the Food Stamp Plan for distributing surplus agricultural commodities will be extended to include all of Summit County, Ohio. The plan has been operating in the Akron, Barberton and Cuyahoga Falls sections of Summit County since March 29, 1940.

April 27 - May 3
Food Purchases
Made By USDA

The USDA Monday announced the purchase of the following food supplies during the period April 27 through May 3: fresh apples, 194,866 bushels; dry beans, 16,120,000 pounds; fresh carrots, 138 tons; cheese, 1,018,000 pounds; corn starch, 1,200,000 pounds; shell eggs, 141,756 cases; canned fish, 32,939 cases; fresh grapefruit, 739 tons; evaporated milk, 138,000 cases; oranges, 27,720 boxes; white potatoes, 3,600 bushels; canned tomatoes, 618,675 cases. These food supplies can be used for domestic distribution to public aid families and for free school lunches, to meet requests for the Red Cross for shipment to war refugee areas, for transfer to other countries under the provisions of the Lend-Lease Act, or for release upon the market when this is desirable.

Futures Trading
In Fats, Oils
Up In April

The volume of futures trading in cottonseed oil reported to the Commodity Exchange Administration for April was 623,760,000 pounds, an increase of 17 percent compared with March, the USDA announced Monday. On the New York Produce Exchange trading in cottonseed oil totaled 581,580,000 pounds, compared with 502,140,000 in March; and on the New Orleans Cotton Exchange, 42,180,000 pounds, compared with 29,760,000. There was no trading on the Chicago Board of Trade. On the New York market futures contracts open at the end of April amounted to 173,100,000 pounds, and on the New Orleans market 12,120,000 pounds.

BAE Reports On
Cotton Situation

Domestic cotton consumption in March established a new high record of 854,000 bales. The seasonally adjusted index of cotton consumption also made a new record in March of 147 percent of the 1935-39 average. Likewise, the index of cotton mill activity, based on 80 hours per week operation, rose to 116.7 percent of capacity in March to break the record set in February. During March the volume of unfilled orders is reported to have increased about one-fourth. The slackening in sales during recent weeks has decreased the volume slightly since April 1, but the backlog of unfilled orders is still large enough to insure a record level of consumption well into next season. Textile prices have advanced sharply in recent months and manufacturers' gross margins have widened materially. The price of Middling 15/16-inch cotton in the 10 markets established a new high for the season of 11.22 cents per pound on April 14. With the exception of one day in December 1939 this was the highest price since August 1937. The price rise which has been in progress since mid-October is attributed largely to speculation that the price will be supported at higher levels next season than this by higher Government loan rates on the 1941 crop and to greatly improved domestic demand.

What Does Soil
Saving Cost?

In Country Gentleman, May. C. R. Enlow, Chief Agronomist, Soil Conservation Service, writes on "What Does Soil Conservation Cost?" After giving several examples of the cost of soil conservation on various farms, Mr. Enlow quotes J. H. Morgan, vice president of the Opelika, Alabama, National Bank and chairman of the Agricultural Committee of the Alabama Banker's Association as follows: "I would consider the farmer who is carrying out one of the (soil conservation) plans on his farm, or practices similar to those recommended in the plan, a 50 percent better credit risk than one who is following our worn-out one-crop system. I would further consider him a good credit risk because he has a definite plan and a goal toward which he is working. The district approach to the conservation of our soil appeals to me because it stimulates the interest of the farmers and makes them feel that they are a part of the program."

Sugar Rendering
Of Lard Increases
Stability

In Food Industries, April, Sleeter Bull, of the University of Illinois, writes on how the sugar rendering of lard increases its stability. In two tables, Professor Bull illustrates the effect of dextrose upon the stability of unbleached and of bleached lard.

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DAILY DIGEST

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Vol. LXXXI, No. 27

Section 1

May 7, 1941.

ANGLO-AMERICAN FOOD COMMITTEE FORMED

To facilitate and further speed up all phases of the lend-lease program affecting agriculture, Secretary Wickard today announced the formation of a joint Anglo-American Food Committee.

This Committee heads up, under the Secretary's chairmanship, the informal negotiations and planning which Department representatives and members of the British Food Mission have been carrying on almost daily for the last two months. In addition to the Secretary, the committee will consist of R. H. Brand, Sir Quintin Hill, and M. I. Hutton, all of the British Food Mission, Surgeon General Thomas Parran, of the U. S. Public Health Service, and Milo Perkins and L. A. Wheeler of the USDA. The Committee will consider how the food resources of the U. S. can best be used to aid the United Kingdom and the British Empire and allies in maintaining their war effort, and frame general programs of food supply, in conformity with the procedures established under the Lend-Lease Act.

AGRICULTURAL DEFENSE RELATIONS OFFICE SET UP

Secretary Wickard today named John B. Hutson as chief of the Office of Agricultural Defense Relations. Transfer of that office, which formerly was the Division for Agriculture of the National

Defense Advisory Commission, to the Department of Agriculture, was announced yesterday by President Roosevelt. At the direction of the President, the agricultural defense office will serve under Secretary Wickard as a policy and liason group, to work closely with units of the Office for Emergency Management, the War and Navy Departments, and other defense agencies as well as to assist in carrying out the defense activities already located in the Department.

FEAR TRAFFIC JAM ON WHEAT SHIPMENTS

From Kansas City, May 6, the AP says that World War 1 brought \$3 wheat, automobiles and silk shirts to Midwestern farmers. World War 2 has brought a problem. Good spring rains indicated a heavy wheat crop this summer. Defense demands on railroad facilities may make its movement to market difficult when harvest starts. Railroad and elevator men, Government officials and bankers here to discuss the problem saw a threat of wheat piled in yellow dunes on the prairies, while box cars were tied up with defense loads.

85% Parity
Loans Seen
On Five Crops

From Washington, May 6, a New York Journal of Commerce dispatch says that mandatory loans of 85 percent of parity to the growers of cotton, corn, wheat, tobacco and rice Tuesday appeared to be a likely outcome of the movement under way in the Senate and House for increasing the income of agriculture. Chairman Fulmer of the House Agricultural Committee, author of the Fulmer bill, which backs 75 percent of parity loans to growers of the five major crops, announced that he would accept the Senate proposal raising the loan level to 85 percent provided the Senate abandoned its other proposal for a sharp curtailment of cotton production.

Wide Aims
Outlined For
U.S. Food Probe

From Chicago, May 6, a New York Journal of Commerce dispatch says that Holmes Baldrige, Special Assistant Attorney-General, said Tuesday that intensification of the Department of Justice anti-trust drive in the food industry will seek the suppression of abuses of unfair practice acts and fair trade acts by distributors' groups as well as restraints in processing channels. Addressing the U. S. Wholesale Grocers' Association convention, Mr. Baldrige outlined broadly the extent to which the current nation-wide probe, which he indicated will develop rapidly, may be expected to affect the operations of food distributors.

U.S., Haiti
In Pact On
Growing Rubber

From Washington, May 6, a New York Journal of Commerce dispatch says that the U.S. and Haiti Tuesday reached a dual economic agreement, providing for expansion of numerous crops, including strategic rubber production, in the island republic and removing American control over Haitian finances. Linked with the crop expansion program is the extension of an additional \$500,000 loan by the Export-Import Bank for irrigation projects and construction of highway and other transportation facilities to the areas suitable for rubber and general agricultural development.

Livestock Men
Now Minimize
Beef Imports

From Fort Worth, Texas, May 6, a UP dispatch says that livestock dealers there believe the good will gained by the purchase of a limited supply of South American canned beef would more than offset any setback the action might affect in the cattle industry. Livestock men emphasized, however, that such purchase should be limited not only in the amount, but in distribution solely to American armed forces. The American National Livestock Association and the Texas and Southwestern Cattle Raisers Association have withdrawn all opposition to purchase of 20,000,000 pounds of South American canned beef during 1941 for use by the Army and Navy and allied services.

N. Y. Journal Sees
24,291,000 Acre
Cotton Crop

Cotton crop preparations and planting have made extensive progress in the Southern States during April, according to the fourth survey of intentions to plant and of general crop progress made up from reports of New York Journal of Commerce correspondents as of May 1. The area farmers have sown or intend to sow on this crop is placed at 24,291,000 acres. Preparations and planting which averaged twelve days behind normal a month ago are now only about a week late. All states currently show favorable prospects excepting South and central Texas and parts of Louisiana and Arkansas, where excessive rains have delayed activity.

Filling Farm
Jobs From CCC
In New York

From Albany, May 6, the AP says that recruiting of farm help from the CCC to fill a 25 percent agricultural labor shrinkage in New York State during the past year was begun Tuesday by the State Employment Service. Listing agriculture as one of the nation's "chief defense industries," the agency began calling on each of the State's 56 CCC camps, with a total enrollment of about 7,500, for experienced help in filling farm needs.

Cotton Hits New
Seasonal High

The New York Times, May 7, says that the cotton futures market, recovering from the hesitancy of Monday's trading, made Tuesday the sharpest advance of the current upward movement. Prices of all active months on the New York Cotton Exchange touched new high levels for the season and closed at net gains of 32 to 39 points on the day. All positions, except the May, crossed the 12-cent level.

Procedure For
Refining Over-
Quota Sugars

The USDA announced Tuesday that importers of sugar would be permitted this year to bring sugar into the continental U. S. under bond for processing and export without being required to turn over to customs' custody an equivalent quantity of quota sugar. It was also announced that during the current year over-quota sugar may be released under bond by Collectors of Customs for refining and return to customs' custody within 30 days or within any longer period that the Department may establish. However, requests for refining such sugar under bond during December will, as before require prior approval of the Sugar Division of the AAA.

All Idaho
Under Food
Stamp Plan

The USDA announced Tuesday the extension of the Food Stamp Plan to Evansville and the rest of Vanderburgh County, Indiana, and to 28 counties in Idaho, thus making the program available to the entire State, the plan already being in effect in 16 counties in the Panhandle and Southwest areas of the State.

New Facts
On Early
Cornfield Work

In 10 years of tests of machinery for cultivating growing corn - carried on in Iowa by the USDA and the Iowa Agricultural Experiment Station - the most "outstanding, and perhaps surprising," result was the "good yields obtained on plots not cultivated until the plants had grown 8 to 10 leaves and stood about 10 inches high." Nevertheless, the engineers still recommend some early cultivation, especially when wet weather might let weeds catch up with the corn. In only one year, 1935, the engineers reported, were yields reduced significantly by omitting early cultivation. That year the June rainfall was 10.5 inches, more than 6 inches above normal. If conditions are such that weeds can be controlled when the corn reaches a height of 10 inches, there is a good chance that the labor saved on early weed work will be a real gain.

Program Seeks
Increase In
Bean Acreage

A program aimed at a 35 percent expansion in the acreage planted this season to dry edible beans of the white varieties over the 1940 acreage, was announced Tuesday by Secretary Wickard. Such an increase will be needed to assure adequate supplies and reserves to meet domestic commercial, school lunch, relief, and export requirements, as well as for shipments under the Lend-Lease Act and by the American Red Cross. In order to provide farmers with a definite incentive for increasing their acreage, the USDA intends to support the market for the following three types of white beans: Pea and Medium White, Great Northern, and Small White. The Department will make its purchases of new-crop beans in so far as practicable from the production of farmers cooperating in the AAA program. The operations will be directed at supporting the market for the above types of beans produced by such cooperating producers on an Eastern seaboard basis at an average price level of approximately \$5.00 a cwt., until about May 1, 1942.

Weather
Report

According to the weekly weather and crop bulletin, growing crops continued to make fairly good progress in most sections east of the Mississippi River, though there is a widespread need of rain in most States. While conditions have not yet approached serious proportions generally, there are certain localities that are in urgent need of moisture, especially in the Southeast where April was quite dry and in the eastern Ohio Valley. In these areas rain is needed quite badly for preparation of the soil and germination of crops that have been seeded, while in the latter area it is necessary to haul water in the drier districts. In marked contrast to the eastern dry section, there was too much rain in many parts of the country from Nebraska southward over Texas, including portions of Louisiana and Arkansas. In these localities the soil is generally too wet to work, with some crop damage indicated and considerable soil erosion in southwestern Oklahoma where washing and flooding rains occurred. In general, in this area warm, sunny weather is urgently needed.

DAILY DIGEST

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Vol. LXXXI, No. 28

Section 1

May 8, 1941.

BANKHEAD SEES CHANCE FOR CROP PARITY RETURNS

The AP, May 7, says that Senator Bankhead (Dem., Ala.) sponsor of much recent farm legislation, said Wednesday that the farmers had a "good chance" of getting "parity or near parity returns" for this year's crops of cotton, wheat, corn, tobacco and rice. He based his prediction on eventual Congressional approval of mandatory Government loans at 85 percent of parity. He said that benefit programs under present farm programs should be enough to supply the remaining 15 percent for growers complying with acreage and marketing controls.

DOLLAR WHEAT BACK IN MARKET

From Chicago, May 7, the AP says that dollar wheat returned to the Board of Trade Wednesday for the first time in a year. A miller bought a load of No. 1 hard in the spot market at that price. In the futures pit May wheat soared as much as 2-1/2 cents to 98-1/2, and despite profit taking, held the advance until the close, closing 1-1/8 to 2-1/8 cents higher than Tuesday. The wheat record was accompanied by heavy professional and public buying of soybeans and lard, but price gains in those commodities were not fully maintained. Early peaks of \$1.29-1/2 for May beans and 9.9 cents a pound for October lard were the highest since late 1939 and early 1938, respectively. Corn rose a cent to above 70 cents, highest since 1937.

LAZO SEES WIDENED DEMAND FOR FOOD

From Chicago, May 7, a New York Journal of Commerce dispatch says that Hector Lazo, chairman of the Food Procurement Advisory Committee, to the Director of Purchases, D.P.M., predicted Wednesday substantially widened demand for foods this year, with increased domestic demand constituting a more important tonnage and dollar element than combined Army and export buying under the lend lease program. Speaking before the convention of the U. S. Wholesale Grocers' Association, Mr. Lazo appealed to the wholesalers to place their buying operations on a carlot basis to avoid the dangers of a transportation bottleneck and cautioned them against an effort on the part of some food processors and manufacturers to force food brokers into the jobbing field through insistence on a net buying practice to circumvent the provisions of the Robinson-Patman Act.

May 8, 1941.

25,000 Box
Cars Ordered To
Wheat Belt

From Kansas City, Kan., May 7, the AP, says that twenty-five thousand box cars that are now carrying defense materials in the east and south-east have been ordered returned to the wheat belt before June 15 to transport an expected bumper crop. L. M. Betts, of Washington, manager of the car service division of the Association of American Railroads, told a shippers' conference Wednesday the cars would be able to handle 40,000,000 bushels. He estimated that 95,000,000 bushels from last year's crop were stored in Missouri, Kansas, Oklahoma, Nebraska and Texas on April 1. The new harvest will begin shortly.

U.S. And Britain
Seen Giving
Reich Supplies

The New York Times, May 8, says that Dr. Joseph Tenenbaum, chairman of the Joint Boycott Council of the American Jewish Congress, said Wednesday that the U.S. and Great Britain are still supplying Germany directly and indirectly with a "tremendous amount of materials." He cited South America as the market for the resale of much merchandise, including British industrial diamonds needed for German precision instruments. Dr. Tenenbaum asserted that there were even smugglers at work "plying from Hoboken to South America" with goods for German sale.

Illegal Food
Deals In
Germany Reported

From London, May 7, a New York Times dispatch says that evidence that "black markets" are flourishing in Germany and in German-occupied lands was submitted by the Economic Warfare Ministry Wednesday. A "black market" sells at high prices food and other commodities withheld illegally from German administrators. Cattle are being slaughtered secretly in Germany and Czecho-Slovakia, it was said. Hamburg and Italy have contended with the watered milk racket. Eggs, butter and sugar are kept off the legal market in Germany and Poland. The British Ministry said there had been 8,000 denunciations for "black market" activities in Czecho-Slovakia during a six-month period. Belgium was said to have many such markets. Millions of fake ration cards were said to have been printed in Paris.

Spain Short
Of Fertilizer

The New York Journal of Commerce, May 8, says that one of the principal problems confronting the planters in Spain is the inability to secure adequate quantities of fertilizers. Normally, Spain has an average annual consumption of approximately 1,600,000 metric tons of fertilizers of all sorts, of which over 1,000,000 metric tons consists of superphosphates, practically all from imported phosphate rock. Since the beginning of December until the end of March, there were only imported approximately 220,000 metric tons of phosphate rock, practically all from French Morocco and Algeria.

WPA Field
Hands Sought
As Crop Spoils

The Baltimore Sun, May 8, says that Baltimore County truck farmers Wednesday appealed to the WPA and the City Department of Public Welfare for assistance in obtaining labor to harvest their crops in areas near the city. They said that already a part of the spinach crop had been lost for lack of sufficient labor, and they were fearful that they would have further difficulties when the vegetable season gets under way in earnest.

Milk Co., Union
Convicted Of
Price Fixing

From Dubuque, Iowa, May 7, the AP says that the Beatrice Creamery Company, the Truck Drivers Local 421 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, an American Federation of Labor union, and nine individuals were convicted by a Federal Court jury Wednesday of violating the Sherman anti-trust act on an indictment charging conspiracy to fix milk prices in this area.

Switzerland, By
Planning, Avoids
Food Shortage

Although entirely surrounded by Axis or Axis-controlled countries, and therefore under blockade, Switzerland so far has had no difficulty meeting food requirements, the USDA said Wednesday. Thus far rationing has been applied only to sugar, rice, cereal products, and edible fats and oils. Meat, bread, milk and fruits and vegetables are unrationed. In general, says the report, the food situation appears better in Switzerland than elsewhere in continental Europe except possibly in Sweden and Portugal. Having in mind the serious food situation which developed in Switzerland during the World War of 1914-18 the Government as early as April 1938 made plans to become as self-sufficient as possible. A report which appears in the current issue of Foreign Agriculture, on the agricultural and food situation in Switzerland, prepared by the Office of Foreign Agricultural Relations, says that while the nation normally depends upon foreign sources for approximately one-fourth of its food requirements, the deficit has been largely offset by building up reserve stocks, by increased production, by rigid controls over prices, distribution and consumption, and by organizing labor for efficient use.

CEA Acts To Curb
Speculation In
Cottonseed Oil

The USDA announced Wednesday that it is prepared to take prompt action if necessary to prevent excessive speculation in the commodity futures markets under its supervision. In telegrams to the New York Produce Exchange and the New Orleans Cotton Exchange, J. M. Mehl, Chief of the Commodity Exchange Administration, referred specifically to current indications of excessive speculation in cottonseed oil futures. He asked the exchanges, in the public interest, to take prompt remedial action in the way of higher margin requirements and other effective measures toward market control.

Tenancy Or
Ownership

In Country Gentleman, May, Arnold Nicholson writes on "Tenancy or Ownership." Two Iowa farmers give contrasting answers to the question of tenancy or ownership in light of present day conditions. Charles A. Norman wouldn't be happy on a rented farm, and it has taken him thirty-seven years to pay for 106 acres of land. But it has been worth it in terms of family security and freedom. Donald E. Fish, on the other hand, is happier with a rented home than with a mortgaged four walls. It's almost entirely a question of dollars and cents. Not so much to provide home comforts, but to give the working capital needed to earn a living from the land.

British Allow
Food For Spain

From London, May 6, the UP says that Hugh Dalton, Minister of Economic Warfare, told Commons Tuesday that British navicerts had been issued for large shipments of cereals to Spain and the Canary Islands. Between February 1 and April 16, Dalton said, thirty-six vessels carrying 190,000 tons of cereals arrived at Spanish ports and 30,000 tons arrived at the Canary Islands, which have received navicerts for an additional 250,000 tons. The food supplies came in part from Canada and Argentina, he said.

20% Seeding
Reported In
Canada Wheat

From Regina, May 6, the CP says that approximately 20 per cent of Saskatchewan's 1941 wheat acreage has been seeded, according to the first 1941 crop report of the Provincial Department of Agriculture Tuesday. Greatest wheat seeding took place in southwestern Saskatchewan, while in other districts intermittent rain and cool weather kept the land too moist for seeding.

French Food
Shortage Grows

From Vichy, France, May 6, the AP says that with the food shortage becoming more acute in unoccupied France, despite the arrival of two shiploads of free American flour, the government decided Tuesday to restrict the amounts and varieties of food served in restaurants. At the same time the French wine industry admitted a growing scarcity.

Sugar Entries
Against Quotas
Reported

The USDA has issued its fourth monthly report on the status of the 1941 sugar quotas for the various offshore sugar-producing areas supplying the United States market. The report, which was prepared by the Sugar Division of the AAA, shows that the quantity of sugar charged against the quotas for all offshore areas, including the full-duty countries, amounted to 2,128,730 short tons, raw value, during the first four months of the year, as compared with 1,459,962 tons in the corresponding period of 1940.

DAILY DIGEST

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Vol. LXXXI, No. 29

Section 1

May 9, 1941.

WICKARD SAYS WE MUST DELIVER AID TO BRITISH

Speaking at the East Central Regional Conference in Charlotte, N.C. Thursday, Secretary Wickard said, in part: "Today food is a defense weapon. Without food Britain cannot continue to stand between the U.S. and the aggressor nations. ... The farm programs of this administration have stood between farmers and the effects of the first World War. Today they are standing between farmers and the injurious effects of this second war. ... It is acknowledged, I think, that Great Britain will go down unless the U.S. sees that she gets munitions and food. ... As I see it, we have two choices. Either we continue to support England against Hitler, or we let Hitler take over England and then consolidate his conquests. ... Half-way measures involve the worst risks. To put it bluntly, we had better take risks on getting aid to England than to risk bombing raids on our own cities and tank attacks on our fields..."

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USDA WARNS COTTON, PRODUCE EXCHANGES

From New York, May 8, the AP says that a few hours after the USDA sent telegrams to the New York Produce Exchange and the New Orleans Cotton Exchange warning against "excessive speculation" and asking "prompt remedial action," a special meeting of the executive committee of the New York Produce Exchange decided that traders in the exchange must start today, for the first time in history, posing uniform minimum margins on their dealings for future deliveries of cottonseed oil, soybean oil, tallow and pepper. The committee also decided to lower from \$25,000 to \$10,000 the credits which brokers are allowed to extend to clients.

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TOBACCO GROWERS PROTEST TAX

The Baltimore Sun, May 8, says that a large group of Maryland tobacco growers, headed by Representative Sasscer, George Sachse, manager of the Maryland Tobacco Growers' Association, and P.E. Clark, county agricultural agent for Prince Georges County, joined several hundred growers from other important tobacco-growing sections and voiced protest Thursday to the Ways and Means Committee against any increase in the present price of tobacco.

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Eire Seeks Food,
Arms From U. S.

A special story to the New York Times from Washington, May 8, says that, faced with a food shortage of growing seriousness and unable to complete its modest armament program because no European nations have any arms surpluses to sell, the government of Eire is now negotiating with the U.S. Government for the purchase of both necessities on credit. The Irish people badly need corn and wheat and the manufactured products from these grains, which, in 1938, they purchased from the U.S. in large quantities.

Brokers Aid Drive
For Stable Prices

From Chicago, May 8, a New York Journal of Commerce dispatch says that food brokers of this country enlisted in the drive against speculation in food products at an informal meeting of the National Food Brokers' Association held in Chicago this week. The meeting, attended by some 75 food brokers from various parts of the country, discussed in detail recent developments in the defense program applicable to the food industry's operations and voted against any speculation in foods during the emergency.

Russian Spring
Wheat Crop Lags

From Moscow, May 8, the UP says that figures published Thursday showed only 27 per cent of projected spring sowing completed as against 44 per cent at this time last year. Sowing is well ahead of schedule in the Ukraine, Russia's breadbasket, but there has been a lag in the northern and central sections of European Russia, in the Urals and Siberia. A late spring with snow or heavy rain was blamed. Snow fell in Moscow and vicinity Thursday.

Vichy Reported
At Odds With
U.S. Red Cross

From Vichy, May 8, the UP says that there is increasing difficulty in American Red Cross negotiations with the French government, and, until this difficulty is wiped out, there will be no more sailings of Red Cross ships from American ports. Richard Allen, European director of the American Red Cross, arrived in Vichy Thursday from Marseille and completed arrangements for the distribution of 15,000 tons of American gift flour now at the Mediterranean port. It will be distributed in the form of free bread on three successive Sundays, starting May 25.

Chicago Wheat
Prices Drop

From Chicago, May 8, the AP says that wheat prices tumbled more than 2 cents a bushel at the start of trading Thursday and then spent the remainder of the session trying to rally. Closing figures were 1-1/8 to 1-5/8 lower than Wednesday, with May 96-3/4 to 96-7/8 cents; July 94-7/8 to 95 cents.

Lehman Reopens
Part Of Closed
N.Y. Woodlands

From Albany, May 8, a New York Herald Tribune dispatch says that, with the danger of forest and field fires decreased by showers which fell Wednesday night and Thursday, Governor Herbert H. Lehman reopened to the public a part of the state's forests, woodlands and open lands but retained the ban on the heavily wooded areas of the Adirondack and Catskill regions. The forests and other lands were closed by a proclamation on April 30.

Price Increase
Attends Pork, Lard
Purchase Program

The USDA announced Thursday that 181 million pounds of pork and lard were purchased since April 3rd under the buying operations of the new food-for-defense program. At the same time it was announced that additional purchases of pork products are being planned for regular intervals, the next bids being scheduled for May 9th. Since the announcement of the food program on April 3 the average price of hogs at Chicago has advanced from about \$7.65 to approximately \$8.70, with the rise being somewhat more for heavy hogs than for light hogs. It was pointed out that the \$9.00 average which the Department intends to support until June 30, 1943, is being attained as rapidly as is practicable. The immediate objectives of the program so far as pork is concerned, it was stated, are to secure a material increase in average weights of hogs marketed this summer and next fall and to encourage a large increase in the number of sows bred for farrow in the fall of 1941. Increased marketings of beef cattle also are recommended to meet part of the additional meat requirements resulting from greater needs for consumers in the U.S. and the lease-lend legislation to aid democracies abroad.

All Montana Under
Food Stamp Plan

The USDA Thursday announced the extension of the Food Stamp Plan to Union County, Illinois, Wyandot County, Ohio, and to 43 counties in Montana, thus making the program available to the entire State.

School Milk
Awards Made

The USDA Thursday announced that awards have been made to bidders to supply milk to nine schools in St. Louis, Missouri, and to 24 schools in Birmingham and Jefferson County, Alabama. In the meantime, the extension of the school milk program was announced to provide for nearly 80,000 children attending public and parochial schools in low-income areas of the Greater Boston (Massachusetts) area.

Art Weaving
Exhibition In
Patio May 11-14

An exhibition and demonstration of Art Weaving held under the auspices of the Graduate School of the Department of Agriculture will open in the Patio of the Administration Building, Department of Agriculture, on Sunday, May 11 at 2 P.M. Among the types of hand-woven articles displayed will be examples of tapestries, wall hangings, upholstery, bags, and scarfs done in Arras, Gobelin, Egyptian and Art Weaving. To illustrate methods used in making the articles, there will be demonstrations of Arras, French Gobelin, and Art Weaving.

Report On
Truck Crops

During the last half of April growing conditions in the commercial truck areas were both good and bad, the USDA reports. In Texas, all truck crop areas of the State were affected by the unfavorable weather which developed the latter part of the month. Heavy rains fell over a wide area and caused serious damage to cucumbers, onions, and tomatoes. In California the weather cleared enough during the latter part of April to enable growers to complete a considerable amount of badly needed field work. Florida truck crops had fairly good weather conditions and shipments are on the increase. Growing conditions have been favorable in other southern areas, although additional moisture is now needed in Georgia, South Carolina, and North Carolina. April rainfall was also deficient in all Atlantic Coast States extending from North Carolina into New England, and in local areas the lack of moisture is giving growers serious concern. In the Pacific Northwest, several cold frosty nights occurred during the last half of April and retarded the growth of truck crops in many areas. In Utah, snowstorms during the middle of the month were followed by freezing temperatures that delayed onions and other early plant growth. In Arizona, temperatures were variable and the absence of rainfall was favorable for replanting and cultivating of cantaloups.

New York Milk
Hearings May 14

A public hearing on proposed amendments to the Federal-State orders regulating the handling of milk in the New York metropolitan marketing area was announced Wednesday by the USDA. The hearing will be held in two sessions; one to begin May 14, 1941, at 10:00 a.m., E.D.T., in the St. George Hotel, Brooklyn, N.Y., and the other session to start May 16, 1941, at 10:00 a.m., E.D.T., in the State Office Building, Albany, New York. Amendments to be considered at the hearing are proposed by producers, handlers, and others, and were filed with the Hearing Clerk of the Department on or before May 5 in accordance with an announcement made April 23.

Report Cites
Forest Value
In South

The forests of the South will play an increasingly important part in remedying the economic and social ills of that section, says the 20th annual report of the USDA's Southern Forest Experiment Station, just released by E.L. Demmon, Director. The Station is maintained by the Forest Service, with headquarters at New Orleans. With the cotton acreage dropping from 46 million in 1925 to less than 25 million in 1939, the diversion of land and labor from the South's traditional crop is likely to continue, and re-adjustments in land use and additional opportunities for permanent employment are needed, says the report. "Southern forest lands, under good management, are capable of providing continuous employment and higher standards of living for at least double the number of persons they now support. The idleness or only partial use of many millions of acres of southern forest lands, unsuited to or not needed for farming, is a great economic loss to the region and to the United States," the report continues.

DAILY DIGEST

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Vol. LXXXI, No. 30.

Section 1

May 12, 1941.

USDA ASKS

IMPROVED CONTROLS

OVER SPECULATION

Secretary Wickard today announced that the commodity exchanges now under the Commodity Exchange Act were being asked to participate in an effort to perfect controls over speculation and gear the machinery of the futures markets to the national defense effort. "The first problem," Secretary Wickard said, "is to perfect controls over speculative activity during the national emergency. The second problem is that of adjusting the futures markets to changed conditions in marketing and making the hedging functions of the exchanges more serviceable. I have asked J. M. Mehl, Chief of the Commodity Exchange Administration, to take up these problems with the commodity exchanges in an attempt to formulate a program for their solution. Proper functioning of futures markets is important in the present defense effort. The existence of futures markets tends to divert speculation from the actual commodities and thus may discourage hoarding and inventory speculation. It is much more difficult to control speculation in spot commodities, and hoarding movements have a more potent effect upon prices because the speculative opportunity is limited to buyers."

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WHEAT MARKETING

QUOTA PROCLAIMED

A wheat marketing quota, designed to divide a limited market among all growers and to keep part of the surplus off the market until needed, was proclaimed Saturday by Secretary of Agriculture Claude R. Wickard. The quota will be effective on the 1941 crop if approved by a two-thirds majority of farmers voting in a national referendum to be held May 31. Each farm's quota is equal to the actual or normal production, whichever is greater, of the farm's wheat acreage allotment, plus wheat from any previous crop. Since the national allotment is calculated to provide enough wheat for normal domestic needs, normal exports, and a 30 percent reserve, officials point out that consumers will have plenty of wheat at reasonable prices. The proclamation was made under provisions of the Agricultural Adjustment Act of 1938 which calls for a quota when the estimated wheat supply exceeds a normal year's domestic consumption and exports by more than 35 percent. The 1941-42 wheat supply is estimated at 1,236 million bushels and exceeds the marketing quota level by 217 million bushels.

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U.S. Trade Pact
With Argentina
Reported Near

From Buenos Aires, May 11, a New York Herald Tribune dispatch says that a trade agreement between the U.S. and Argentina, the chief missing link in the trade and Hemisphere programs of President Poosevelt and Secretary Hull, appeared Sunday to be in the making, and concrete progress was expected to be reported immediately. Although the American Embassy refused to comment on the matter, it seemed probable that a statement would be forthcoming soon. While Sunday's newspapers implied that a signature was due within a few days, this seemed to be premature. It is known, however, that preliminary conversations have been going on for some time.

Berlin Economists
Eye Markets In
South America

From Berlin, May 11, a New York Times dispatch says that the interest with which Germany is watching the economic situation in Latin America is evidenced by the fact that the Berlin Institute for Business Research devotes the whole of its weekly bulletin to an analysis of the difficulties that are being experienced by the Latin-American countries as a result of the loss of European markets through the British blockade. Neither Britain nor the U.S. can replace continental Europe as a market for, and a supplier to, Latin America is the conclusion drawn by the Institute.

To Use Corncobs
As War Munitions

A special story to the New York Times, from Los Angeles, May 11, says a process has been devised by Francis E. Wilkinson, of Glendale, to utilize corncobs in the manufacture of munitions for war. To employ the process a plant is to be built near Missouri Valley, Iowa, which in the fall is expected to start converting forty tons of corncobs a day into nitro-cellulose, a base for explosives, and into a synthetic rubber which can be fused with natural rubber in making tires.

Nazis Say Europe's
Markets to Be Shut
To U.S. Farmers

From Berlin, May 11, the AP says that, in a long article on the blockade, the Frankfurter Zeitung Sunday warned of the consequences of President Roosevelt's policy for the American farmer. Mr. Roosevelt, whom the Nazi press calls the "new Wilson," will not accomplish his "objectives of finally checkmating Germany through a war of hunger against Europe," the newspaper said. "But he will accomplish something," the paper added. "He will ruin the market for American farm products after the war and American farmers then can thank him that he sacrificed their interests for his illusions."

USDA Winter
Wheat Estimate

The USDA estimated Friday that this year's winter wheat crop would be 653,105,000 bushels, as indicated by conditions May 1. Production was 589,151,000 bushels last year, and the ten-year (1930-39) average production was 569,417,000 bushels. A yield of 16.2 bushels an acre is indicated for this year by conditions on May 1, compared with a yield of 16.3 bushels last year and the ten-year average of 14.4 bushels.

Bennett Urges
Conservation At
Time Of War

On Saturday evening, Dr. H.H. Bennett, Chief, Soil Conservation Service, spoke on "Conservation Against a Background of War" before the first annual meeting of the Canadian Conservation Association, London, Ontario. In closing, Dr. Bennett said: "It is important not to let the turbulence of war dim our perspective. First things come first, of course, and we must be ready to defend our beliefs at any cost. But we must think beyond the conflict, too, of the ways and the wherewithal of progress. Then, as perhaps never before, we shall need to call upon our resources--and they must not have been spent....If it is worth an army to fight off an enemy that threatens our people with shells and torpedoes and bombs, is it worth an equally determined effort to combat the enemies that threaten our fields, our forests, our grasslands from which come our strength and security?"

1941 Beet Sugar
Quota Allotment
Announced

The USDA announced Friday the allotment of the 1941 beet sugar quota of 1,589,100 short tons, raw value, to the 24 beet sugar processing companies. The allotments were computed by giving 25 percent weight to past marketings, and 75 percent weight to processings of sugar beets grown on proportionate share acreages (acreage allotments), and were then modified so as to bring the inventories of the various companies into closer relationship with the normal carryover requirements of the Sugar Act. Past marketings have been measured by the average quantity of sugar marketed during the three calendar years 1937, 1938, and 1939. Processings of sugar beets produced on acreage allotments have been measured by the average amounts of the processings from such beets for the largest three of the 1937, 1938, 1939, and 1940 crops.

USDA Says Mineral
Oil Controls
Corn Earworm

Oiling the silks of roasting-ear corn with mineral oil containing dichloroethyl ether protects it from damage by the corn earworm, the most destructive enemy of corn in the U.S. recent tests by the USDA indicate. Earworms are especially injurious to sweet corn and other roasting varieties grown in the South. The oil-dichloroethyl-ether mixture is applied in warm weather -- when the temperature is from 60 to 65 degrees F. or higher. In cool weather, the Department recommends oil containing pyrethrins (pyrethrum extract).

Firm Fined \$25
For Violation Of
Federal Seed Act

The Department of Agriculture reported today that the Davis Milling Company, Inc., of Norfolk, Virginia, on May 5, 1941, was convicted on a plea of guilty and fined \$25 for a violation of the Federal Seed Act. Though a number of seizures have been made, this terminates the first criminal action brought under the new Act which went into effect last year. The violation for which the Norfolk firm was fined was the sale and delivery for interstate transportation of rye seed labeled 85 percent germination, but tests showed that little or none of the seed would germinate. The shipment of 50 bags was made into North Carolina in September 1940.

Weekly Cotton
Market Review

Cotton prices advanced sharply again last week, reports the USDA. The advance was attributed mainly to the sharp increase in the general level of commodity prices, the better demand for cotton goods, and to trade expectations of a higher loan rate for the 1941 crop. Spot cotton markets were unusually active. Buying was largely for fulfilling earlier commitments. Exports for the week were down slightly compared with the previous week. Domestic mill activity apparently increased to a new high level during the first week in May. Mill sales of cotton cloth and yarn were up sharply and prices strengthened further. The weather was mostly favorable to crop progress.

Small Increase
In Corn Loans

Corn loans under the 1940 loan program on May 3, 1941 totalled 104,635 for \$60,129,838.47 on 98,685,071 bushels, the USDA said Friday. Loans were made during the week ending May 3 on only 500,000 bushels. Six hundred and eleven loans on 535,931 bushels have been paid during the loan year.

Unfixed Call
Sales Of
Cotton Decrease

The USDA reports that unfixed call sales of cotton reported to the Commodity Exchange Administration decreased 22,900 bales during the week ending May 2 to 416,700 bales on that date. Of this number, 19,500 bales were based on the May future, 189,400 on July, 100,500 on October, 71,500 on December, 3,500 on January, 26,300 on March, 3,000 on May, and 3,000 on July. Unfixed call purchases decreased 14,700 bales to 78,600 bales on May 2. Of this number 100 bales were based on the May future, 49,900 on July, 16,500 on October, 10,400 on December, 100 on January, 1,200 on March, and 400 on July.

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Vol. LXXXI, No. 31.

Section 1

May 13, 1941.

CONFERENCE ADOPTS
85% PARITY LOAN
PLAN ON 5 CROPS

From Washington, May 12, a New York Journal of Commerce dispatch says that mandatory loans of 85 percent of parity to growers of the five basic crops--cotton, wheat, tobacco, corn and rice, were voted Monday by Senate and House conferees on the Fulmer bill. The agreement is to be reported to the House today, where an effort is expected to be made to have the report approved and thus pave the way for similar action in the Senate. Senator Bankhead (Dem., Ala.), chairman of the conference committee, who announced the action, said that the loans would be made on this year's crops and that the vote of the conference committee was unanimous. He felt confident that the House and Senate would approve the report and that the measure would become law.

HULL TO WELCOME
ARGENTINA'S
FOREIGN MINISTER

The Washington Post, May 13, says that, while high Government officials prepared to welcome to Washington today Enrique Ruiz-Guinazu, Argentine foreign minister, the State Department announced Monday night fresh negotiations for reciprocal trade agreements with Uruguay and Argentina. Both events pointed anew to the importance attached officially to U.S. relations with Argentina and the enthusiasm with which the continental solidarity policy is being pushed. Secretary Hull will head the official reception committee to greet the minister, who is expected to have extensive conferences with U.S. officials before continuing his journey home from Europe.

PHILIPPINES
TO BUY FOOD

From Manila, May 12, the AP says that recommendations of the Civilian Emergency Administration to bolster plans for protection of civilians in wartime by the prior purchase of construction materials and foodstuffs were approved today by President Manuel Quezon. The program envisages the expenditure of many millions of dollars with preliminary appropriations now available. Most of the material will be purchased in the U.S.

CCC Asks For
\$1,231,000,000

From Washington, May 12, the AP says that estimated needs of the Commodity Credit Corporation for the 1942 fiscal year were put at \$1,231,000,000 Monday by Carl B. Robbins, its president, in asking Congress to increase the corporation's borrowing power by \$1,000,000 and extend its life indefinitely. He warned that agriculture was threatened with "a very serious depression" due to loss of foreign markets. Testifying before the House Banking and Currency Committee, Mr. Robbins said that \$935,000,000 would be needed for the loans on, and purchases of, the five basic crops, with \$150,000,000 allowed for such crops as dairy products, beans, barley, rye, grains, sorghums, peanuts, prunes, raisins, turpentine and rosin.

Wheat Tumbles In
Chicago Market

From Chicago, May 12, the AP says that a drop of almost 3 cents a bushel in wheat prices Monday reflected market nervousness due to Washington reports of proposed additional controls over commodity speculation and uncertainty concerning loan rates to be offered on new crops. Government officials also were reported initiating a new program to establish additional regulations over speculation in commodities in view of recent sharp price rises particularly in some fats and oils. Board of Trade officials said they received no word regarding any proposals for such increased regulation. Wheat finished 2-3/8 - 2-3/4¢ lower than Saturday.

Nazis Reported
Sending Wheat
Ships To Greece

From Istanbul, Turkey, May 12, a New York Times dispatch says that the food shortage in Greece has reached such alarming proportions that two German ships have been sent up to Rumania to load wheat for Greek ports. At the same time it is reported that German pressure has forced the Greek Government to declare embargoes on the sale of olive oil, resin and turpentine. These products are being sent to the Reich. Olive oil is one of the most important consumer commodities in Greece.

\$262,000,000
Still Held In Hog
Processing Taxes

From Washington, May 12, the UP says that A. D. Burford, acting chief of the Internal Revenue Bureau's unjust enrichment division, told a Senate agriculture subcommittee Monday that the Government still holds approximately \$262,000,000 of hog processing taxes. Under the original Agricultural Adjustment Act, Burford testified, \$263,000,000 in taxes were levied against hog processors. The Government refunded about \$829,000 when the tax was declared unconstitutional.

Stamp Plan
Extensions

The Department of Agriculture announced today that the Food Stamp Plan will be extended to Tuscarawas and Butler Counties, Ohio.

More Grain Curbs
Held Unnecessary

From Chicago, May 12, a New York Journal of Commerce dispatch says that Chicago Board of Trade officials had little comment to make regarding Secretary Wickard's commodity speculation control announcement of Monday. Aside from stating that any national defense measures deemed necessary will be supported by the exchanges, officers were unwilling to express any opinion. Members of the exchange in many instances, however, were inclined to the view that there is but little need for more control so far as the grain markets are concerned. Except for the cases of soybean and lard futures, they said, business on the Chicago Board of Trade has been too small for any kind of a curb.

Supreme Court
Holds To Frazier-
Lemke Definition

The Washington Post, May 13, says that the Supreme Court Monday refused to narrow the definition of a farmer entitled to seek a composition of indebtedness under the Frazier-Lemke Farm Mortgage Moratorium Act. It held unanimously that the definition contained in the Frazier-Lemke measure had not been altered by the Chandler Act passed in 1938 to revise the general bankruptcy laws. A farmer, the Frazier-Lemke Act said, is an individual "primarily" engaged in farm activities or one who derives the principal part of his income from such sources. The Chandler Act said the individual must be "personally engaged" in the farm activities even though "the principal part of his income" was derived from them.

REA Program
6 Years Old

The start of the seventh year of the Federal rural electrification program finds approximately 2 million American farm families enjoying central station electric service -- nearly three times as many as had it in 1935.-- the USDA reported today. Since establishment of the REA on May 11, 1935, REA-financed power lines alone have taken electricity to more than half a million farms. During the same period, private utilities, largely stimulated by the REA program, have connected about as many additional farms. Harry Slattery, REA Administrator, pointed out that during the past year, REA activities have been directed intensively toward measures to strengthen national defense. "REA was instrumental in getting electricity to Camp Shelby, Mississippi, largest Army camp in the United States, in record time and at a substantial saving to the Government," he said. "Other Army camps have been served less dramatically but no less beneficially."

USDA Food
Purchases:
May 4-10

The USDA Monday announced the purchase of the following food supplies for the week ending May 10: shell eggs, 137,606 cases; American cheese, 5,834,900 lbs.; canned process cheese, 1,000,000 lbs.; lard, 35,053,055 lbs.; canned pork meat products, 21,822,296 lbs.; cured pork meat products, 38,440,000 lbs.; cornstarch, 12,240,000 lbs.; biscuits (hard bread), 220,000 lbs.; canned oleomargarine, 212,500 lbs.; canned pork and beans, 23,300 cases; dry beans, 16,790,000 lbs.; cracked wheat, 4,800,000 lbs.; rice, 3,200,000 lbs.; dry whole milk, 60,000 lbs.; fresh apples, 142,602 bu.; oranges, 34,188 boxes; fresh grapefruit, 554 tons; fresh carrots, 100 tons.

Hearings On
Milk Program
Amendments

The USDA Friday announced the reopening of a public hearing held in October, 1940, on amendments to the Federal order regulating the handling of milk in the Greater Boston (Massachusetts) marketing area. The hearing will reopen at Montpelier, Vermont, May 14, and will reconvene at Boston May 15. The Department also announced the opening of a hearing May 14 at the U. S. Court House, Kansas City, Missouri, on proposed amendments to the Federal program regulating the handling of milk in the Kansas City area.

Hearings Called
On 500-Acre Law

From Washington, May 11, a New York Journal of Commerce dispatch says that methods and procedure on obtaining the objectives of the 500-acre law will be discussed at a series of public hearings on May 26, according to an Interior Department announcement. The discussions will be undertaken by a group headed by Rexford Guy Tugwell, special advisor to the Secretary of the Interior, and will treat primarily on land use and social and economic problems. The 500-acre law limits the amount of land which may be held for agricultural purposes by a corporation to 500 acres.

BAE Reports On
Wool Situation

Farmers now marketing their 1941 wool clips are receiving higher prices, generally, than at any time since the early months of 1929. The average price received by farmers on April 15 was 34.7 cents a pound. This was 8.6 cents higher than a year earlier. The large use of wools in army fabrics and increased demand for wool for civilian purposes are important factors in the increase in prices of domestic wools. The prospect of a record mill consumption in 1941 will be a strong supporting factor to domestic wool prices in the current marketing season. Stocks of apparel wool reported by dealers and manufacturers and stocks of old clip wool on farms and ranches in Western States totaled 283 million pounds, grease basis, on March 29 compared with 184 million pounds a year earlier. The 1941 stocks included 85 million pounds of wool afloat to United States dealers and manufacturers. If wool afloat is excluded the stocks held in this country on March 29 totaled 198 million pounds.

Why Rubber Is
Coming Home

In Agriculture in the Americas, May, J. J. Blandin, Vice President of the Goodyear Rubber Plantations Company, writes of the growing rubber plantations in Latin America.

DAILY DIGEST

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Vol. LXXXI, No. 32

Section 1

May 14, 1941.

WICKARD URGES U.S. TO PUSH ASSISTANCE

Secretary Wickard spoke Tuesday at Raleigh, North Carolina, before the North Carolina Cotton Growers Cooperative Association on "The South's Stake In The Battle of Britain." He said that it was the duty of the United States to see that food and munitions for Britain "get there -- get there safely and get there in time." He said that American farmers "are in far better shape today to meet the economic consequences of war than they were in the first World War," but added the warning that they "are going to have to face the future realistically."

85% PARITY LOANS ON 5 BASIC CROPS APPROVED BY HOUSE

From Washington, May 13, a Baltimore Sun dispatch says that the House Tuesday voted 275-62 for loans on cotton, wheat, corn, rice and tobacco at eighty-five percent of parity.

COTTON PRICES RISE \$2.50 ON LOAN MOVE

The New York Journal of Commerce, May 14, says that spot cotton and cotton futures advanced \$2.50 per bale Tuesday in one of the broadest markets in many months which carried prices to new high levels since the Spring of 1937. News that the Senate and House conferees had agreed on an 85 percent mandatory loan on the 1941 crop created a sharply higher opening on the New York exchange, and near the closing advices that the House had accepted the report of its conference committee spurred values on until distant months moved above 13¢ a pound.

CEA ASKS EXCHANGES TO APPOINT COMMITTEES

Following a proposal made May 12 by Secretary Wickard that additional curbs be placed on speculation in agricultural commodities, the USDA today requested the commodity exchanges to appoint committees immediately to report to the Commodity Exchange Administration on possible courses of action.

LECROEN NEW CHIEF OF SMA DISTRIBUTION DIVISION

Appointment of James D. LeCron as Chief of the Distribution Division of the Surplus Marketing Administration was announced yesterday by the Department of Agriculture. Mr. LeCron is a resident of Des Moines, Iowa. He was assistant to the Secretary of Agriculture when Vice-President Henry A. Wallace held that cabinet post.

Canada And
Britain In Record
Wheat Deal

From Ottawa, May 13, a New York Times dispatch says that the largest wheat transaction in the history of the world's grain trade was concluded Tuesday between negotiators of the Canadian wheat board and the British Ministry of Food. The amount involved, J. A. Mackinnon, Minister of Trade and Commerce, said, was 120,000,000 bushels of wheat futures for delivery during the period ending in May, 1942. The British Ministry of Food asked that the price paid should not be disclosed and that the market should remain open during the period of the transaction.

Finds Many
Cities As They
Were In 1860

From Washington, May 13, a New York Times dispatch says that the Land Committee of the National Resources Planning Board said Tuesday, in advocating wider public ownership of land in cities, that most American municipalities had failed to keep pace with the economy of the rest of the country, and that many cities "are just about today what they were in 1860."

Food Sales
15% Heavier
In May

From New York, May 13, the AP says that the upward trend of food sales and food prices has swelled the dollar volume of food distributors' sales substantially in May, the American Institute of Food Distribution, Inc., said Tuesday. Reports of members indicate food sales of retail stores are running close to 15 per cent above 1940, the institute said. Larger gains are being shown by aggressive markets and in some rural armament centers.

Army Rations
Described

The New York Times, May 14, reports that Army rations provide a great improvement over similar rations issued to United States soldiers during the six periods of militarization extending from the Revolutionary War to the World War, according to a display of their comparative nutritive values in Russell Hall of Teachers College at Columbia University. "The only aspect in which our Army menus are deficient is calcium," Professor Clara M. Taylor, whose class in food nutrition constructed the display, said Tuesday. "Our boys should drink another glass of milk a day."

Wool Needs Total
259,000,000 Lbs.

The New York Journal of Commerce, May 13, says the total wool requirements of all Government procurement agencies in the fiscal year beginning July 1 was estimated Monday at 259,000,000 pounds by Donald M. Nelson, O.P.M. director of purchases. Issuance of this estimate, in accordance with a previous statement by Mr. Nelson that domestic wool growers would be informed of contemplated purchases prior to the marketing of the clip, indicated the Government needs would be slightly more than the approximate purchase of 244,000,000 pounds for the fiscal year ending June 30.

Dry Skim Milk
Marketing Agreement
To End June 1

Termination of the marketing agreement for the dry skim milk industry on June 1, 1941, was announced Tuesday by the USDA. The agreement -- which provided for the filing of prices at which handlers offered to sell, and for the prohibition of unfair trade practices -- has operated continuously since September 1933 and has regulated the handlers of dry skim milk in all sections of the country. Since the program was put into effect in 1933, under the provisions of the Agricultural Adjustment Act, there have been numerous changes in the legislative basis for marketing agreements and in the administration and operation of these measures.

Food Buying
With Blue Stamps
For March

Blue surplus stamps added more than \$8,930,000 worth of farm products in March to the diets of 3,705,000 members of families eligible to receive public assistance, the USDA announced today in its monthly report on the Food Stamp Plan. During March families taking part in the Food Stamp Plan used blue stamps -- which increased their expenditures for agricultural products approximately 50 percent -- as follows: 14 percent for butter; 12 percent for eggs; 31 percent for pork products; 17 percent for flour and other cereals; 14 percent for fruit; and 12 percent for vegetables. Purchases with blue stamps, representing new outlets for surplus farm commodities, included about 3,563,000 pounds of butter; 4,710,000 dozen eggs; 34,143,000 pounds of white and Graham flour and 9,868,000 pounds of other cereals; 12,181,000 pounds of pork and 5,866,000 pounds of pork lard; 142,000 pounds of vegetable shortening; 35,743,000 pounds of potatoes, 4,763,000 pounds of dry beans; 4,471,000 pounds of onions; 735,000 pounds of fresh carrots; and 167,000 pounds of fresh kale.

Puerto Rican
Sugar Allotments
For 1941 Given

The USDA Tuesday announced Puerto Rican processor marketing allotments, covering the 1941 Puerto Rican sugar quota, of 818,166 short tons, raw value, for continental U.S., and of 69,052 tons for consumption in Puerto Rico. These allotments represent the amount of sugar which processors in Puerto Rico may market on the mainland and in Puerto Rico during the calendar year 1941 under existing quotas.

Hawaiian Ships To
Get 24-Hour
Inspection Service

To aid emergency shipping needs, plant quarantine inspection for vessels arriving at mainland ports from Hawaii has been made possible during night as well as daylight hours, by a revision of Regulation 8 of Quarantine No. 13, the Department of Agriculture announced today. The change was effective May 12. Heretofore boarding and inspection of these vessels at mainland ports was from sunrise to sunset, primarily because of the additional load which night inspections placed on a limited personnel.

Cherry Tree Root
Grafting Evades
Leaf Spot Disease

In seeking to combat the destructive leaf-spot disease of cherry nurseries, investigators of the USDA have been able to kill two birds with one stone. By propagating cherry trees by piece root grafting, instead of the usual method of budding, they have eliminated a season of costly spraying in the nursery, and at the same time obtained greater winter protection for the tender root, as the graft union itself is about 3 inches under ground. In piece root grafting a scion or piece of stem of the desired variety is grafted onto a piece of seedling root 3 or 4 inches long. In bud grafting, a bud of the desired variety is inserted into the seedling stem after it has grown in the nursery for one season, during which the foliage is exposed to attacks of leaf spot. Discouraged in their attempts to secure satisfactory control of the leaf-spot disease in the nursery without numerous costly spray applications, the investigators -- E. A. Siegler and J. J. Bowman of the Bureau of Plant Industry -- turned to the method of propagating cherries by piece-root grafting.

Omaha Gets
Penny Milk
For Schools

The USDA announced Tuesday awards to two handlers who were the lowest bidders to supply milk to 22 schools under the penny-a-glass school milk program which will operate for the remainder of the current school year in Omaha, Nebraska. Bids were rejected for eight other schools approved for participation in the program, because the bids were too high.

Weather
Report

According to the weekly weather and crop bulletin, in most sections of the country between the Appalachian and Rocky Mountains temperatures were too low for best development of crops. Light frosts were reported southward to the Ohio Valley and in portions of the northern Mississippi Valley and northern Great Plains. In some sections these frosts were reported as heavy, but the damage was largely confined to early gardens and tender truck, with no material harm anticipated, except in local areas where some harm may have occurred to cherries and strawberries. The soil moisture situation was somewhat relieved in the Ohio Valley, with adequate to heavy showers reported from numerous localities, but the immediate effect was merely to moisten the topsoil without materially changing the subsoil deficiency. Similar conditions prevail in most of the Atlantic States, except New England, while in most of the Southeast the soil is still too dry for germination and growth of crops. In the west Gulf area the soil continues too wet for cultivation and planting, with a general retardation of outdoor operations and some damage to crops on lowlands. In Oklahoma, for example, the last 24 hours was the first rainless period since April 11. In the central and northern Great Plains temperatures were somewhat too low for best growth, but outside operations were favored, with spring plowing and seeding advancing rapidly.

DAILY DIGEST

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Section 1

May 15, 1941.

SENATE VOTES 85% FARM PARITY, 75-2

The AP, May 15, says that the Senate, by a vote of 75-2, Wednesday approved a measure intended to put millions of dollars into the pockets of farmers through Government loans at 85 percent of parity prices to growers of cotton, wheat and corn. The legislation also covered tobacco and rice. Bankhead said that the proposed new loans would be 13.49 cents a pound on cotton, 69.87 cents a bushel on corn, and 96.22 cents a bushel on wheat. This is considerably above past loans, Bankhead continued, but market prices of these crops had been climbing recently. Meanwhile, from San Francisco, the AP wires that Coast bakers sent President Roosevelt a message demanding the veto of the bill.

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EXCHANGES PREPARE FOR CEA PARLEYS

The New York Journal of Commerce, May 15, says that officials of leading commodity futures exchanges in New York Wednesday took immediate steps in answer to requests from Washington that they name committees to confer with the Government in regard to speculative activity in the several markets. The presidents of the cotton, grease wool, wool top and cocoa exchanges indicated that committees would be appointed soon. The Commodity Exchange, Inc., took action to further strengthen its margin regulations on rubber. Robert J. Murray, President of the New York Cotton Exchange, said that a meeting of the board of managers would be held today, and it is probable that a committee will be appointed to confer with CEA officials as requested.

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LEASE-LEND HELP TO AUSTRALIA SOON

From Washington, May 14, a New York Journal of Commerce dispatch says that direct lend-lease aid to Australia and increased American purchases of Australian wool were foreshadowed Wednesday as Australian Prime Minister Robert Gordon Menzies wound up a week of consultations with President Roosevelt and State Department officials. The Dominion leader sought to impress upon Administration officials the necessity for accelerated economic assistance to all British Empire forces. He also pressed for priorities for Australian procurement of war materials.

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Consumers Fight
Milk Price Plan

The New York Times, May 15, says that protests against a proposed increase in the prices to be paid farmers for fluid milk to a year-round minimum that would raise the retail cost of milk two cents a quart were made Wednesday by representatives of twenty parent, neighborhood and welfare organizations at the opening of a public hearing on proposed amendments to the Federal-State milk marketing orders governing the New York metropolitan area. Miss Asho Ingersoll, chairman of the Milk Consumers Protective Committee, told the 700 producers, distributors and consumers at the hearing in Brooklyn that "it appears that certain interests are trying to take advantage of the war emergency." She added that "We believe that this is no time to inject a war psychology into our local fluid milk market."

Cotton Climbs
5-14 Points

The New York Herald Tribune, May 15, says that passage by the Senate of farm aid legislation making it mandatory for an 85 per cent of parity loan on cotton brought in new waves of short covering orders in the local cotton market, which rose to new high levels Wednesday only to lose part of the gains later on realizing and southern selling. The market closed 5 to 14 points higher.

Wheat Gains To
Reach New High

The New York Journal of Commerce, May 15, says that wheat futures rose to new highs for the season Wednesday at the principal trading centers of the West. Active covering, influenced by the news from Washington that the Senate had approved 85 percent parity loans, together with reports of a marked expansion of domestic flour sales, overshadowed all other influences. At Chicago prices ended 4¢ to 4-3/8¢ net higher.

Japanese Increase
Purchases In Peru

From Lima, May 6, a New York Times dispatch says that it has been learned that Peruvian officials expect that Japan, which took about one-third of Peru's cotton crop in 1940, will buy as much as one-half of this year's crop. Much will depend upon available shipping. Those concerned primarily with the problem of storing up Peru's economy in wartime find satisfaction in the continuance of cotton exports by virtue of this new market. But those whose attention is concentrated upon economic warfare are filled with doubts, since Japan's Foreign Minister has again announced Japan's adherence to the Axis powers. The somewhat paradoxical fact is that the U. S. and Japan together have come to the rescue of Peru's threatened economy and helped her to withstand, without material loss, the closing of her former European markets.

Butter Prices
Rising By
Canadian Order

From Ottawa, May 14, a CP dispatch says that Canadian officials said Wednesday that the effect of the minimum prices for butter established by the dairy products board Tuesday will be to increase prices paid by the Canadian housewife during the summer months. The order makes obligatory an increase of one-half cent a pound a month for butter from May to October and it is provided that this additional price must be paid the producer at the point of delivery to the wholesale purchaser. The general view seems to be that these increases would be passed on to the consumer.

April Cotton
Consumption
Hits New High

The New York Journal of Commerce, May 15, says that the Census Bureau reports that consumption of all cotton in domestic mills during April set a new all-time high record for any month of 920,142 bales, comparing with a previous high record for any month of 854,179 set in March and with 623,098 in April, 1940. The report showed consumption for nine months of the season ended April 30 of 6,995,238 bales, against 5,953,999 for the corresponding part of last season.

Japan Opens Drive
For Latin Markets

From Tokyo, May 15, the UP says that Japan appears to be organizing at home and abroad for a new, intensified drive to capture world trade markets, especially in South America, in an effort to offset the effects of U.S. and British trade restrictions against Japan. The new drive was launched coincident with Britain's rejection of Japanese protests against restrictions on trade between British colonies and Japan. British Ambassador Sir Robert Craigie was understood to have rejected the protests Wednesday when he paid his first call on Foreign Minister Yosuke Matsuoka since the latter's return from his recent European tour. The Government Wednesday announced promulgation of a new trade control ordinance designed to "stabilize" Japan's foreign trade structure under wartime conditions. At the same time, trade reports disclosed the imminent departure of a "floating sample fair" for South America.

Information
Exchange
Committee

From Washington, May 14, the AP says that the creation of a new joint committee to link the United States and Canada in the exchange of "vital information" on their supplies of strategic war materials, was announced today by William S. Knudsen, director general of the Office of Production Management.

Akron, Ohio, Gets
Cotton Stamp Plan

The USDA announced Wednesday that the Cotton Stamp Plan will be extended to Akron and the rest of Summit County, Ohio.

Says British
Could Be Fed
By Plane

From Schenectady, N. Y., May 14, the UP says that the entire population of the British Isles could be kept from starvation by airplane shipments of dehydrated foods from this country, Dr. Kenneth T. Farrell, New York City food chemist, asserted Wednesday. "If not a single ship were able to reach the British Isles, and if food reserves were badly depleted, it would be possible for the dehydrated food industry here to ship enough supplies by airplane to feed every man, woman and child in the land" he said.

Argentine Exports
Down During April

From Buenos Aires, May 14, a New York Herald Tribune dispatch says that Argentina's exports during April were valued at 122,830,679 pesos, compared with 130,581,272 pesos in March. In April last year exports were valued at 156,949,801 pesos. In quantity the April figures were slightly higher, being 574,056 tons as against 554,705 tons in March.

Wilson To Speak
On Rural Home
Building Needs

M. L. Wilson, Director of Extension Work, USDA, and Chairman of the Central Housing Committee on Rural Housing, speaks before the National Conference on Home Building at the Mayflower Hotel this afternoon. His subject will be "Home Building Needs and Opportunities in Villages and Rural Communities."

Wallace To
Present Chemists'
Medal To Knight

On behalf of the American Institute of Chemists, Vice President Wallace will present a medal Saturday evening (May 17) to Dr. Henry G. Knight, Chief of the Bureau of Agricultural Chemistry and Engineering. The occasion is the annual dinner of the Institute, to be held at the Wardman Park Hotel, Washington. The Vice President is making the presentation because of his interest in improving agriculture and expanding uses for agricultural commodities and his years of association with Doctor Knight in the Department of Agriculture. The Institute is making the award "in recognition of Doctor Knight's outstanding accomplishments in the field of agricultural chemistry, and his executive and creative ability in organizing and establishing the four Regional Research Laboratories recently authorized by Congress to search for new and wider industrial outlets for farm products."

USDA Transfers
Land To War
Department

The USDA Wednesday announced transfer of the 9,000-acre Lakeland Flatwoods Land Utilization project, located near Valdosta, Ga., in Lowndes and Lanier counties, to the War Department for possible use in the Southeast air corps training program. The War Department plans a survey as to the adaptability of the tract for training purposes. The USDA retains title to the land, but grants exclusive use privileges to the War Department for the duration of the defense emergency. Secretary of War Stimson requested use of the area in a letter to Secretary Wickard on May 7.

DAILY DIGEST

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Section 1

May 16, 1941.

U.S. QUOTAS LIKELY FOR CANADIAN WHEAT

From Ottawa, May 15, a New York Journal of Commerce dispatch says that U.S. wheat experts, headed by Leslie Wheeler, Director of Foreign Agricultural Relations in the USDA, are discussing with Canadian officials methods to prevent a flood of Canadian wheat entering the U.S. if the Chicago price goes so high that the 42¢ a bushel duty is insufficient to prevent the movement. It is suggested that quotas may be applied against Canadian wheat to prevent heavy imports. Officials have declined to say what arrangements will be worked out, but the likelihood is that, if the Washington Government acts, there will be no protest from Canada.

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WORLD FARM BLOC AGAINST AXIS LOOMS

From Washington, May 15, the UP says that the world's largest agricultural nations — the U.S., Argentina, Canada and Australia — are being considered by Government economists as a potential nucleus for an international farm bloc to wage economic warfare against the Axis. Economists in Washington are studying preliminary plans for establishing such a bloc. While the war continues, it would help the British blockade against the Axis by declining to ship food to Europe; after the war, in the event that the Axis is not eliminated, it would be designed to meet the Axis' barter system of trade. Another mission of such an international cooperative farm bloc would be to help feed starving millions after the war, since officials anticipate a great famine in post-war Europe.

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LIVESTOCK LEADER SAYS DEFENSE AIDS CATTLEMEN

From Denver, May 15, the UP says that F. E. Mollin, secretary of the American National Livestock Association, reports that the national defense drive has been a boon to growers of good beef. The outlook for the cattle industry is good, he said, and the stockmen believe that they will be able to take care of any post-war slump. Army and Navy purchases provide the brightest spot in the livestock outlook. These will include all cuts of meats and will be made according to grades and standards agreed upon by cattle growers. Mr. Mollin said that stockmen aren't worried "a bit" about purchases from Argentina. "They won't be harmful to the American meat industry because the government has recognized the importance of the hoof and mouth disease quarantine," he said.

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Germany Cuts Meat
Ration By 20%

From Berlin, May 15, the AP says that a 20 per cent reduction in Germany's weekly meat ration, effective June 2, was announced Thursday by the Food Distribution Bureau. Under the new decree, the normal ration will be cut from 500 grams (one pound) a person to 400 grams weekly. Workers, whose rations will be correspondingly reduced, will be allowed 800 to 1000 grams according to their type of labor. Butter rations, a spokesman said, will be increased. He boasted that Germany now is producing 700,000 tons of butter annually, or twice the amount churned before 1933, and only 50,000 tons less than the U.S. In the meanwhile the AP, in a story from Washington, says that USDA officials described as obviously incorrect the statement that German butter production, at 700,000 tons, was almost as great as U. S. production. USDA reports placed commercial creamery butter production in this country at 904,000 tons in 1940. An additional 217,000 tons was reported to have been produced on farms, thus giving a total production of 1,121,000 tons last year. Officials said this volume was expected to be increased materially this year under the Department's "food-for-defense" program.

Beet Sugar Quota
Rise Is Opposed

From Philadelphia, May 15, a New York Journal of Commerce dispatch says that opposition to the enactment of any legislation that would expand the quotas of the beet sugar industry and automatically reduce the cane sugar refining industry in Philadelphia was expressed at a meeting held Thursday, sponsored by the local board of trade and attended by about 800 persons. Speakers declared that the bill now before the Senate Finance Committee would reduce the Philadelphia sugar trade about \$10,000,000 a year because it would be impossible to receive its normal quantities of raw sugars, and it was asserted that this bill would cost American consumers and taxpayers an additional \$45,000,000 annually for sugar subsidies.

Year Rise In
Food Prices
Found Slight

The New York Times, May 16, says that retail prices of ordinary groceries have changed so slightly that a week's food supply for a family of five purchased at a cost of \$8.75 in May last year could be bought this week for \$8.85, according to a survey made public Thursday by the Food Pricing Committee of the Social Welfare and Public Health Department of the New York City Home Economists Association. The committee said it did not consider an \$8.85 weekly grocery order for five ideal. "We hope the time will come when families will not have to watch their pennies so closely and shop so carefully to secure the food they need," it was added.

Wheat Retreats;Loses 1-1/4 To 1-7/8¢

From Chicago, May 15, the AP says that profit taking forced a sharp retreat in grain prices Thursday, wiping away about half the grain recorded Wednesday. Traders said that while fundamental factors, including Congressional adoption of an 85 per cent of parity loan program, remain unchanged, the market was entitled to a set back inasmuch as wheat had risen about 10 cents, the last two weeks and corn 5 to 6 cents. Closing prices on wheat were 1-1/4 to 1-7/8 cents lower than Wednesday.

Cotton MarketNervous, Weak

The New York Times, May 16, says that, although an advance in the first hour of trading carried prices within a few points of their previous high levels for the season, nervousness was evident on the New York Cotton Exchange throughout most of the session Thursday and final prices showed net losses of 7 to 15 points. A factor in the late decline was the weakness in securities, which sold off on the statement by Marshal Petain that France must cooperate with the Germans in Europe and Africa. Another question affecting trading was what action the President would take on the bill calling for loans of 85 per cent of parity on agricultural products including cotton.

Wholesale IndexHops 1% In Week

From Washington, May 16, an AP dispatch says that the Bureau of Labor Statistics Thursday reported an increase of 1 per cent in the level of wholesale commodity prices for the week ended May 10. The bureau reported that the "tight shipping situation," and the heavy demand and anticipated higher loan values for certain crops contributed largely to the widespread price increase. Those were marked advances in crude rubber, grains, meats, oils and fats and coke.

USDA PlantSpecialists LeaveOn Mexican Survey

H.T. Edwards and J.H. Kempton, tropical plant specialists of the USDA left Washington Thursday night for an agricultural survey of Mexico and other Central American countries. The survey, under the direction of the Latin American division of the Department, is being made to investigate possibilities of developing in the American tropics products which the U.S. now import from more distant tropical regions. Among the important plants that might be developed as crops in Central America -- and which cannot be grown in this country -- are: abaca, imported from the Philippines for manufacturing rope; cinchona, imported from the East Indies for manufacture of quinine; chia, imported from China for manufacture of oil used in the paint and varnish industry; derris, imported from the East Indies for use in insecticides; kapok, imported from the East Indies and used in upholstering and in life preservers; and licorice, imported from Asia Minor and used in the manufacture of chewing tobacco. The survey is being made at the invitation of the Mexican Government and will last approximately three months.

BAE Reports On
Dairy Situation

Dairy production continues unusually high. Total milk production on May 1 was 9 percent larger than a year earlier and was the highest on record for that date. Total production of the principal manufactured dairy products has also been high. Production is expected to continue at record levels unless weather conditions become unfavorable. The into-storage movement for dairy products is now under way. On May 1 stocks of butter were almost double those of a year earlier and stocks of cheese were about 40 percent larger. The past season was a satisfactory one for storage operations and a good storage demand is in prospect. Wholesale butter prices declined somewhat during the middle of April but have since recovered and are now higher than at any other time this year. Cheese prices have increased steadily since the first of March. Current wholesale butter and cheese prices are higher than in any May since 1930. Prices are expected to continue at a relatively high level during the remainder of 1941. (BAE)

Safeguards In
Test For Bang's
Disease Described

A high degree of success in standardizing the diagnostic agent, Brucella antigen, used in testing cattle for Bang's disease, is described by Howard I. Thaller in a report recently issued by the U. S. Live Stock Sanitary Association. Doctor Thaller is a USDA veterinarian at the Bureau of Animal Industry Animal Disease Station at Beltsville, Md. The report likewise shows advancement in the technique of making the test, thereby adding to the accuracy of detecting animals affected with the disease, against which an extensive Federal-State campaign is being conducted. The production of Brucella antigen by the Bureau of Animal Industry was undertaken at the request of the U.S. Live Stock Sanitary Association and other organizations interested in the suppression of Bang's disease, long a menace to the cattle industry.

AMS On Poultry,
Egg Production

The number of young chickens on farms May 1 was 10 percent larger than a year ago, according to the USDA's May 15 report on poultry and egg production. A sharp increase in egg prices during April was not reflected by a correspondingly large increase in holdings of young chickens on May 1, which were only slightly larger than was anticipated in February. A large increase in the number of eggs set during April, however, indicates a record hatch in May, and the number of chicks booked on May 1 for later delivery indicates a very large late hatch this year. Reports to the AMS show that egg production in April, equivalent to 13,875,000 cases, was slightly less than last year and about equal to the 10-year (1930-39) average. Although the average rate of lay during April was about 2 percent larger than it was a year earlier, a 3 percent decrease in the average number of layers was more than an offsetting factor. Chicken and egg prices received by farmers advanced sharply during the month ending April 15, as the result of improved general purchasing power and heavy Government purchases of eggs. Turkey prices continue to rise.

DAILY DIGEST

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Vol. LXXXI, No. 35

Section 1

May 19, 1941.

WICKARD TALKS ON WHEAT FARMERS AND THE WAR

Secretary Wickard spoke this morning over the Farm and Home Hour in Hutchinson, Kansas, on "Wheat Farmers and the Battle for Democracy." After outlining the background to the wheat referendum which will take place on May 31, Mr. Wickard concluded: "I don't think the American people want to live in a world run by the Nazis. I don't think they intend to live in a world run by the Nazis. A world run by the Nazis means the destruction of freedom and democracy in the U. S. We'll do whatever is necessary to protect our freedom and our democracy."

WICKARD STATEMENT ON FOOD STAMP ANNIVERSARY

Secretary Wickard Friday issued a statement on the second anniversary of the Food Stamp Plan, which was inaugurated in Rochester, New York, on May 16, 1939. He said: "The Food Stamp Plan, completing its second year of operation today, is now available in communities which include more than half of the population of the United States. As rapidly as circumstances warrant and funds permit, the plan should be extended on a national basis. A total of 67,500,000 people live in the 385 areas which already have been designated for the program. More than 4,000,000 members of public aid families in these areas will use nearly \$10,000,000 worth of blue stamps during May to buy health-building foods at the corner grocery -- as additions to their otherwise limited diets. Buying these foods, these low-income families will give the farmers of the country important new markets for crops they need to sell. On the basis of present operations, without allowance for future expansion, the Stamp Plan will bridge the gap between farm surpluses and consumer wants to the extent of around \$120,000,000 worth of food a year."

"SUPER-CITIZENSHIP" URGED BY WALLACE

From Washington, May 18, a New York Times dispatch says that Vice President Wallace, in a radio speech Sunday, said that citizenship today has a greater significance than formerly because Pan Americanism has become so strong that the word "American" denotes citizenship not merely in one particular nation in the Western Hemisphere. He voiced the hope that citizens of all Latin America would look upon themselves as having "a super-citizenship in America, the Western Hemisphere, where nations earnestly try to settle their disputes peacefully, without lying, treaty-breaking or aggression."

Hull Outlines
Post-War Trade
Principles

From Washington, May 18, a New York Times dispatch says that Secretary of State Hull Sunday, in a speech over the radio, outlined the following principles, which he said must guide the post-war world: 1) Extreme nationalism must not again be permitted to express itself in excessive trade restrictions; 2) Nondiscrimination in international commercial relations must be the rule, so that international trade may grow and prosper; 3) Raw material supplies must be available to all nations without discrimination; 4) International agreements regulating the supply of commodities must be so handled as to protect fully the interests of the consuming countries and their people; 5) The institutions and arrangements of international finance must be so set up that they lend aid to the essential enterprises and the continuous development of all countries and permit the payment through processes of trade consonant with the welfare of all nations.

U. S. "Ceiling"
To Cut Cotton
Yarn Prices

The Washington Post, May 19, says that Leon Henderson, Price Administrator, said Sunday that price "ceilings" lower than current market prices will be imposed on combed cotton yarns within a few days. Henderson conferred with representatives of the industry three weeks' ago, and he said he had hoped that this meeting would lead to improvement in the "speculative price situation." "Such improvement has not taken place," he added.

Meat Board
Course Trains
Army Cooks

From Chicago, May 18, a New York Times dispatch says that the National Livestock and Meat Board, which for the last sixteen years has been active in meat nutrition research and meat marketing campaigns, has turned its efforts to training mess sergeants and mess cooks in the interest of national defense. Six men on the staff of the board who are experts in meat cutting and cookery are on a second training tour of the nine Army corps areas, while the board itself, having met with considerable success in the preparation of a booklet on the cutting up of lamb for Army use, is at present preparing similar handbooks on pork and beef.

Hutson Named To
Anglo-American
Food Committee

The USDA Saturday announced that J. B. Hutson, Director of the Department's Office of Agricultural Defense Relations, has been named a member of the joint Anglo-American Food Committee. Other members of that committee are, as announced May 7, Secretary Wickard, chairman; R. H. Brand, Sir Quintin Hill, and M. I. Hutton, of the British Food Mission; Surgeon General Thomas Parran, of the U. S. Public Health Service, and Milo Perkins and L. A. Wheeler of the USDA. The Anglo-American Food Committee was formed as an advisory group to consider how United States food resources can best be used to aid Britain and her allies, and to frame general programs of food supply under the provisions of the Lend Lease Act.

Best Dairy Prices
In 10 Years
Reported

The USDA reports that new records for the production of milk and dairy products are being set as a result of the best prices for dairy products in more than ten years, relatively low prices for feeds, and the best early pastures since 1929. Milk production during April was about 12 percent above the 5-year (1935-39) average for the month. This is on a level with the high production in January, February, and March of this year, which were 13, 12, and 12 percent respectively above the averages of corresponding months. Milk production increased more than usual during April, has probably continued heavy till mid-May, and is likely to continue heavy until price, feed, and pasture conditions change. Stocks of dairy products on hand increased somewhat more than usual during April but only about the same as in 1938 when pastures were about equally early. The increase seems about normal for an early season, considering the present high level of production and consumption. Prices of dairy products have risen sharply, notwithstanding the record production. Latest reported prices of butter and cheese are above averages for May in any year since 1929 and 1930 respectively. Milk sold for city use has not shown the usual seasonal decline and retail milk prices have edged upward. (AMS)

Wooster Appointed
To N. E. Division
Of AAA

The USDA today announced the appointment of Carl G. Wooster, farmer of Union Hill, New York, as Assistant Director of the Northeast Division of the AAA. Mr. Wooster succeeds Fred B. Northrup who recently became assistant director of the AAA Division of Special Programs.

Cotton Prices Up
For Third Week

Cotton prices moved upward for the third consecutive week, reports the USDA. Passage of legislation by Congress making Government loans of 85 percent of parity mandatory dominated other news in the cotton markets this week, but the general level of commodity prices strengthened, and demand for cloth and yarn continued strong. Spot cotton markets were very active. The outlook for exports of cotton continues poor. Domestic mills operated at an exceptionally high rate and mill margins apparently increased further during early May. The weather early in the week was less favorable to crop progress but later improved.

"Electric Eye"
Measures Protein
In Wheat

The versatile "electric eye" has been given the new task of determining the protein content of wheat, grain specialists of the USDA report. In making tests with the new apparatus the wheat is ground and the proteins extracted by chemical means. By the addition of other chemicals, the glutenous proteins are brought into a stable colloidal suspension, and when a beam of light is focused on a standard tube containing this suspension, part of the light is prevented from passing through by the protein present. Thus, the amount of light passing through the tube is an index of protein content and is measured accurately and nearly automatically by a photometer equipped with an electric eye or photo-electric cell.

Allocations Made
Under Cotton
Paper Program

The USDA Friday announced allocations to 21 manufacturers of about 6,640 bales of low-grade cotton to be used in the making of high-grade writing paper under the USDA cotton paper program announced March 26, 1941. The allocations were made through the Writing Paper Manufacturers Association, which is conducting program transactions with manufacturers. Similar to the 1940 cotton paper program, the plan calls for the diversion of up to 10,000 bales of low-grade cotton for high-grade paper manufacture. Federal diversion payments, however, at the rate of 4 1/2 cents per pound, will be made on only 75 percent of the cotton used for this purpose by manufacturers approved by the Department.

Colorado Potato
Referendum
Announced

The USDA announced Friday that a proposed Federal marketing program for Irish potatoes produced in Colorado -- tentatively approved by Secretary Wickard, following a public hearing in December 1940 -- will be placed before the industry for a vote among growers and for the signup of handlers. The program would regulate in interstate commerce the handling of Irish potatoes produced in Colorado and would operate in conjunction with a proposed State marketing program to regulate the handling of potatoes shipped within the State. The Federal plan contains provisions similar to those embodied in potato marketing agreement programs operated in 1937 and 1938 in various major potato growing regions.

Improved Demand
For Farm Products
Continues

The demand for farm products continues to respond to improvement in general economic conditions and consumer purchasing power, the USDA reported Friday in an analysis of the farm situation. Industrial production, recovering quickly from the relapse brought on by industrial strikes in April, is expected to reach a new high level this month. Gradual improvement in employment, pay rolls and consumer demand for farm products should continue through the last half of the year, the Department said. "The trend of agricultural exports, sharply downward during 1940, apparently is being reversed in 1941, although a return to pre-war volume is not in prospect. Government purchases under the food-for-defense program, some of which are for export to Great Britain, have reached considerable proportions, and will be an important price-affecting factor in the markets for some commodities. It is becoming increasingly evident that export and defense requirements for industrial products will soon be sufficient to prevent much if any further increase in the volume of goods available for civilian use. The adjustments necessary to make way for the growing defense needs will weigh most heavily on durable consumer goods such as automobiles. Consumer buying power available for food, clothing, and other non-durable items thus may be increased."

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Section 1

May 20, 1941.

ROCKEFELLER SEES NAZI TRADE PERIL

From New York, May 19, the AP says that Nelson A. Rockefeller, coordinator of commercial and cultural relations between the American republics, said Monday the U.S. must see that defense goods "reach the armies of the democracies" because trade in a Hitler-dominated world would be impossible. In an address prepared for the New York Foreign Trade Week luncheon, he said: "We will unite in support of any and all measures that may be necessary to achieve these purposes. We want and need foreign trade, but not that trade which is used by totalitarian powers as a lever to political domination."

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YARN MEN CONFUSED BY "CEILING" EDICT

The New York Journal of Commerce, May 20, says that cotton yarn markets were in a state of utter confusion as a result of the decision of the Office of Price Administration Consumer Supply, under Leon Henderson, to fix prices on cotton yarn at possibly from 40¢ to 42¢ a pound, basis 30s single combed. From all sections of the country, telephone calls came into the New York market asking for definite information on the subject. From Washington there came the news that Mr. Henderson is conferring with a number of combed yarn spinners and commission house officials.

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PROCESSED FOODS DUE TO RISE IN AUTUMN

The New York Times, May 20, says that New York producers of packaged groceries said Monday that the general run of manufactured grocery products will begin reflecting higher raw materials and labor costs in the early Fall when this year's crops have been processed and moved into consumption. Comparatively few of the 2,000 items in the average grocery store have been increased in price so far, manufacturers contend, and most of the rises have occurred in such lines as dairy products, coffee, canned fish and some canned fruits and vegetables. "When the price rises are necessary in our line," the executive of one leading grocery producing company said, "they will be kept within levels dictated by the actual rise in production costs, even though it means retailing some of our 10-cent items at 11 cents, or products now priced at 15 cents for 16 or 17 cents."

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New York City
Studies Rise In
Dairy Products

The New York Times, May 20, says that the anti-profiteering council for the butter, egg and poultry industry, organized by the New York City Department of Markets, discussed with Markets Commissioner William Fellowes Morgan, Jr., Monday the rapid rise in dairy products prices attributed largely to the Federal Government's huge purchases for the British under the lease-lend act. At the end of the conference, Commissioner Morgan announced that "no conclusions" had been reached, that he and the other conferees had decided not to comment on the matters discussed, and that another conference would be called on a date that he would announce later.

Wallace Casts 1st
Vote In Senate

From Washington, May 19, the AP says that Vice President Wallace cast his first vote in the Senate Monday. After committee amendments to the State, Justice, Commerce bill had been considered, the Vice President's attention was called to a minor amendment which was overlooked in the hurried consideration of the measure. Mr. Wallace had the clerk report the amendment and called for the ayes and noes. When no one answered, Mr. Wallace declared the vote a tie. "The Vice President votes 'aye,'" he said, "and the amendment is agreed to."

New Support Aids
Lard Price Gain

The New York Journal of Commerce, May 20, says that lard futures at Chicago, after declining moderately during the early part of the session Monday, firmed up under new support prompted by Secretary Wickard's statement that, in his opinion, the President wants basic crops to reach parity this year. The new support lifted values about 20 points from the early lows. Late in the day, light mixed trading operations helped a great deal toward the maintenance of values.

Wheat Up Sharply
To Season's High

A special story to the New York Times from Chicago, May 19, says that a statement by Secretary Wickard, in which he said that President Roosevelt desired to see parity prices on wheat and corn this season, started a buying movement in wheat futures Monday which swept prices up around 4 cents a bushel from the early low on the Chicago Board of Trade. All deliveries sold at new seasonal high levels, and while the top was not maintained, due to profit taking, the close was 2 to 2 1/8 cents higher.

Cotton Stamps For
8 Arizona Counties

The USDA announced Friday that the Cotton Stamp Plan to move cotton goods through normal channels of trade to families receiving public assistance will be extended to these eight counties in Southern Arizona: Cochise, Gila, Graham, Greenlee, Pima, Pinal, Santa Cruz, and Yuma.

Cotton RecedesAfter Sharp Rise

The New York Times, May 20, reports that, after breaking a three-hour period of irregularity with a sharp rise in the midafternoon, prices of futures on the New York Cotton Exchange Monday dropped sharply in the final hour of trading and closed at net losses of 1 to 5 points. The early nervousness of the market resulted from the placing by the government of a "ceiling" on yarn prices at a base of 40 cents a pound, or around 12 cents below prevailing quotations. A factor in the sharp run up in the market in the afternoon was the publication of the address by Secretary Wickard at Hutchinson, Kan., in which he predicted that the President would approve the bill calling for a loan on cotton at 85 per cent of parity.

Egg FuturesHit New Highs

From Chicago, May 19, the AP says that egg futures came back to the boom time levels of 1929 on the Chicago Mercantile Exchange Monday. Gains ranging to $\frac{1}{2}$ cent in local wholesale spot prices, where new peaks for the year were established, as well as reports that egg production in April was slightly less than a year ago, acted as stimulating influences on futures prices, traders said.

Acreage Of CornFor CanningRises 30%

A special story to the New York Times from Chicago, May 19, says that the Corn Canners Service Bureau, in calling for reports of unsold stocks of canned corn from its members, has forecast an increase of at least 30 per cent in acreage planted to the 1941 crop. Offsetting somewhat the bigger plantings are the effects of dry weather in some of the more important States. "Early returns from the latest acreage questionnaire card," said the bureau, "indicate an increase in canned corn acreage of about 10 percent over the 20.6 percent raise from 1940, forecast in the preceding report. The action of the AAA in removing corn for canning from the list of soil-depleting crops undoubtedly was a factor in this change."

Says GermanyConducts Soil Tests

From Ithaca, New York, a dispatch to the New York Journal of Commerce, May 20, says that Professor Ora Smith, of the New York State College of Agriculture, says that what Europe is doing to prevent starvation can be judged by what its scientists are doing to increase food supplies and substitutes. He said that all farmers in Germany are required, on request, to submit their soil for analysis. Each of the seventy agricultural experiment stations conduct about 25,000 tests annually, with the number on the increase. The aim is to increase yields by the best use of fertilizers, shown by soil tests.

Rural RetailSales Increase16% In April

The New York Journal of Commerce, from Washington May 18, says that the sales of general merchandise in small towns and rural areas in April were 16 per cent larger than in March and were 31 per cent above April last year according to the Department of Commerce.

Spices Suggested
To Diversify Crops

The New York Times, May 20, says that George L. Curtin, head of a spice brokerage house, said Monday that many farmers now struggling with cotton and other crops might find a more profitable return through experimenting with the growing of herbs and spices. Mr. Curtin said that, with supplies of spices from the Balkan area and from the Mediterranean cut off, prices have risen sharply and threaten to go even higher when existing stocks are exhausted. He cautioned farmers considering growing either spices or herbs to consult their State Department of Agriculture or the USDA and get advice on the subject.

1941 Sugar
Quota Allotment
For Processors

The USDA announced Monday allotment of the 1941 mainland cane sugar quota of 430,794 short tons, raw value, to the 60 cane sugar processing companies in Louisiana and Florida. The Sugar Act of 1937 directs the Secretary of Agriculture to allot the sugar marketing quota for any area if he finds that such allotment is necessary to prevent disorderly marketing, to give all interested persons an equitable opportunity to market sugar, or for other causes.

BAE On Fats And
Oils Situation

Strengthening factors in the price situation for fats and oils this year are increases in incomes of consumers, the high level of building activity, and the probability that imports of vegetable oilseeds and oils will be smaller during the remainder of the year than a year earlier despite the availability of abundant supplies of most kinds of imported fats and oils in surplus-producing areas. The growing scarcity of ocean shipping space has altered the general price outlook in the last several months. It now seems probable that prices of most fats and oils will average substantially higher in 1941 than in 1940, rather than moderately higher as indicated last fall. It seems likely that prices of oilseeds in the 1941-42 marketing season will average higher than in the current season, even if output should be increased. The growing strength in domestic demand, plus the probability that imports will be reduced, will more than offset the effect on prices of any increase in domestic production that may take place this year. Normally, 10 to 15 percent of our total fat supply is imported. A sharp advance in prices of fats and oils took place in March and April. Prices of animal fats and oils in April averaged 14 percent higher than in February. Prices of imported vegetable oils, already comparatively high, were up 19 percent, and prices of domestic vegetable oils were up 29 percent.

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Vol. LXXXI, No. 37.

Section 1

May 21, 1941.

EIRE TO GET U.S. FOOD, BUT NO ARMS

From Washington, May 20, a New York Times dispatch says that President Roosevelt announced in his press conference Tuesday that Eire, a neutral in the war despite Britain's efforts to obtain use of vital bases there, can buy or charter two merchant vessels in the U.S. to transport food for the Irish civilian population. The President also announced that he has requested Norman Davis, president of the American Red Cross, to get in touch with Robert Brennan, the Irish Minister, and inform him that \$500,000 is available from the \$50,000,000 relief fund voted by Congress for the purchase of food for the initial shipments. No munitions or war materials would be shipped to Eire, however, it was made clear by the President.

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SEES CERTIFICATE PLAN AS CURE OF FARMER'S ILLS

From Chicago, May 20, the AP says Philip Ray O'Brien, new president of the Chicago Board of Trade, said Tuesday that "by far the most promising current suggestion for the solution of the (farm) problem is one by which the consumer would pay the farmer his cost of production, or parity, for the domestic consumption, through adoption of a so-called certificate plan or processing tax. A certificate plan, in my opinion, would accomplish and establish a permanent agricultural program which would mean parity income on that quantity of produce raised for domestic consumption. In normal times, surpluses should be sold on the world markets."

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PUERTO RICO PLANS AGAINST FOOD SHORTAGE

From San Juan, Puerto Rico, May 20, the AP says that Puerto Rico is rushing plans for emergency food provisioning as a safeguard against possible extension of hostilities to the Western Hemisphere or withdrawal or destruction of the shipping necessary to keep the island supplied. Governor Guy J. Swope said Tuesday that he would take to Washington Thursday a proposal for food shortage and development of subsistence farms. The plan was prepared by Cabinet members and agricultural and nutrition experts.

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See Conference
On Rising
Food Prices

The New York Times, May 21, says that representatives of New York City and national administrations may get together soon to thrash out the problem of rising prices of dairy products and other foodstuffs along with the whole program of government buying for the British under the lease-lend bill, to which the present rise in the cost of living is largely attributed. Members of the City Market Department's Anti-Profiteering Council for the butter, egg and poultry industry have asked Markets Commissioner William Fellowes Morgan, Jr. to confer in Washington with Milo Perkins, Surplus Marketing Administrator, on the ramifications of the entire government buying program.

Md. Farm Labor
Crisis Grows

The Baltimore Sun, May 21, says that reports on the Maryland farm labor situation indicate that shortage of harvest hands for truck crops is going to be even more serious than was anticipated, according to the Maryland State Employment Service. David L. B. Fringer, State director, said Tuesday that only a trickle of migratory labor has been reported crossing the Virginia line into Eastern Shore, Maryland, and that farmers on the Shore are seriously alarmed. Demand for harvest hands is expected to begin in earnest about June 1 for strawberries and other early crops. There already has been considerable demand for experienced general farmhands.

Export Curb Hits
Philippine Hemp

From Manila, P.I., May 20, a New York Times dispatch says that the resolution adopted by the U. S. Congress applying the export licensing system to the Philippines will have the greatest effect on Japanese residents having large investments in hemp plantations. Their exports to Japan presumably will be cut off entirely through application of the control system. Last year's exports of hemp to Japan from the Philippines totaled 387,000 bales, or almost \$3,000,000 worth, destined primarily for naval and shipping uses. Japanese exporters accounted for most of this business.

Plans To Expel
Food Profiteers

From London, May 20, a New York Herald Tribune dispatch says that Lord Woolton, Minister of Food, launching a drive to stamp out food speculators and profiteers who take advantage of war-time shortages to lift prices, Tuesday ordered a "flying squad" of food inspectors to seek out the racketeers. Some of the inspectors are former Scotland Yards detectives. Lord Woolton also promised an early Parliamentary statement on the results of the food-price investigation.

Panama Sets
Control On Rice

A special cable to the New York Times, from Panama, May 20, says that the government assumed full control of the sale of rice Tuesday, according to the report in The Star Herald, which stated that the action had been taken in order to stabilize the price at 6 cents a pound. The government, the report said, was authorized to create monopolies for public needs by the new Constitution and that it was understood that similar control for sugar was planned with the price to be fixed at 7 1/5 cents a pound.

Utah Bees
On Decline

From Salt Lake City Tribune, Utah, the UP reports that a meeting of the state's apiarist reveals that honey production has dropped from 4,000,000 pounds in 1936 to 1,800,000 pounds last year. Bee colonies in Utah have been reduced from 72,000 to 51,000, largely because of market slumps and damage wrought by insects and plant poisons.

Hog Prices
Hit New Highs

The New York Journal of Commerce, May 21, says that hog prices in Chicago Tuesday advanced to new highs in the current upward movement and also for the 1940-41 season. The top price reported throughout the session was \$9.40 per 100 pounds, equal to the high for recent years established in September, 1937. At this time last year Chicago hogs were selling at \$6.25 per hundredweight. Light hog receipts in Chicago and other Western markets were cited as the immediate reason for the new high prices on hogs. The Government pork buying program is considered the major underlying cause of the strong market, however.

Cotton-Spinning
Rate Up 119.6%

From Washington, May 20, the AP says that the census bureau reported Tuesday that the cotton spinning industry operated during April at 119.6 percent of capacity, on a two-shift, eighty hour week basis, compared with 116.7 percent during March this year and 92.1 percent during April last year.

USDA Reports
Food Purchases

The USDA Monday announced the purchase of the following food supplies during the week ending May 17: shell eggs, 103,233 cases; dried eggs, 617,500 lbs.; frozen eggs, 12,642,000 lbs.; American cheese, 4,791,230 lbs.; dry beans, 15,103,500 lbs.; oleomargarine, 908,000 lbs.; evaporated milk, 215,000 cases; canned fish, 147,796 cases; lard, 19,478,576 lbs.; pork meat products canned, 5,852,668 lbs.; pork meat products cured and frozen, 7,905,000 lbs.; fresh apples, 151,744 bu.; oranges, 44,352 boxes; carrots, 63 tons; grapefruit, 554 tons; dried prunes, 10,000 tons. These food supplies can be used for domestic distribution to public aid families and for free school lunches, to meet requirements for the Red Cross for shipment to war refugee areas, for transfer to other countries under the provisions of the Lend-Lease Act, or for release upon the market when this is desirable.

BAE On Livestock
Situation

The market movement of pigs from the 1940 fall crop is now under way, but hog supplies may not increase much in the next month or so. In the late summer the seasonal decrease in hog marketings is expected to be fairly large. The 1940 fall pig crop was 13 percent smaller than that of a year earlier, and if the number of sows bred for farrow this fall is increased materially, as now seems likely, marketings of packing sows will be substantially smaller this summer than last. Present indications point to a reduction of about 10 to 12 percent in the total number of hogs marketed during the remainder of the 1940-41 marketing year (May-September) from the corresponding months of 1939-40. Total slaughter supplies of cattle and calves in 1941 are expected to be around 5 percent larger than in 1940. Much of the increase over a year earlier will be in grain-fed cattle, although marketings of cows and heifers for slaughter also may be somewhat larger than in 1940. The number of cattle on feed in the Corn Belt on April 1 was 16 percent larger than a year earlier. Marketings of grain-fed cattle ordinarily increase from early spring to late summer, but most of the increase in supplies of grain-fed cattle this year over last is expected in the late summer and early fall. (BAE)

Weather
Report

According to the Weekly Weather and Crop Bulletin, while beneficial showers occurred rather generally in the interior valleys, the Lake region and Northwest, continued absence of material rainfall has intensified droughty conditions in the Atlantic Coast States and from central Kentucky southward, with the moisture situation becoming critical in many places. Growth, in general, was slow in the drought area, with pasture land and hay crops affected most and small grains developing on short straw. Also, low temperatures from the central Ohio Valley northeastward contributed to retardation in growth. Good, soaking rains are badly needed generally from New York and New England southward and southwestward to the lower Mississippi Valley. In the central and northern Ohio Valley rains of the week supplied sufficient surface moisture for immediate needs in most localities, but the sub-soil remains dry because of persistent subnormal precipitation, especially in central and eastern sections, since the first of the year. In the area between the Mississippi River and Rocky Mountains conditions were generally favorable, except that rain is needed in some immediate trans-Mississippi areas, and high temperatures, with local, hot winds, depleted soil moisture rapidly in some north-central portions of the Great Plains. However, in general, the moisture situation continues unusually favorable in nearly all areas west of the Mississippi River. There were some damaging wind and hail storms in the upper Mississippi Valley States with a tornado reported from Brown County, Minn., on the 14th. In the Great Plains with high temperature and mostly adequate soil moisture, growing crops are developing unusually fast.

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Section 1

May 22, 1941.

ROOSEVELT, WICKARD CONFER ON PARITY

From Washington, May 21, the UP says that President Roosevelt conferred on the farm parity payment issue Wednesday with Secretary of Agriculture Claude R. Wickard and Representative Cannon (Dem., Mo.) chairmen of the House Appropriations Subcommittee in charge of farm funds. Neither Wickard nor Cannon would indicate after the conference that Mr. Roosevelt had reached any conclusion on the parity issue. A bill authorizing crop loans on cotton, wheat, corn, rice and tobacco up to 85 per cent of parity is before the President and must be acted upon by next Wednesday.

GRAIN STORAGE A PROBLEM

From Chicago, May 21, the AP says that the Federal Government called grain business representatives into conference Wednesday to help find storage rooms for possibly 1,000,000,000 bushels of wheat this year. Railroad men, boards of trade representatives and terminal elevator operators were told by officials of the USDA that they would face a gigantic problem when the first wheat harvests begin in June. The conferees were informed that about 400,000,000 bushels of wheat from previous crops would be in the bins by October 1 and that, while in previous years 5,000 to 7,000 box cars were leased for temporary storage of grain, this year only about 1,150 cars were available.

DROUGHT RETARDS CROPS

The New York Herald Tribune of May 22, says that the continued drought has retarded early farm crops and has increased the forest fire menace to its most dangerous stage in many years, according to state officials at Albany. One-third of the \$1,000,000 onion crop in Orange County has been ruined by the lack of moisture and a serious hay shortage is expected throughout the state unless heavy rains fall soon, the State Department of Agriculture said.

HENDERSON ASKS NO NEW PRICE LAWS

The Washington Post, May 22, says that Government Price Administrator Leon Henderson told President Roosevelt Wednesday that there is no immediate need for legislation giving his office additional direct price pegging enforcement powers. Mr. Henderson is also believed to have indicated to the President that there is no need at this time for a general order freezing all prices at their present levels.

Talk Irish
Food Relief

From Washington, May 21, a New York Times dispatch says that President Roosevelt conferred Wednesday with Norman Davis, president of the American Red Cross, on plans of speeding food relief to Ireland. Mr. Davis says that \$50,000 worth of supplies to be provided by this Government would consist entirely of wheat, although he understood that the Irish themselves planned to buy oranges here.

Food Rises Laid To
U.S. House Policy

From Washington, May 21, a New York Times dispatch says that the Retailers Advisory Committee issued a statement Wednesday saying that food price increases are the result of domestic policy and cannot be laid to the Lend-Lease Act. "These increases," the Committee explained, "represent the effects of jockeying by agriculture and labor for parity. Congress only recently advanced crop loan values in such a way as to insure an eventful increase of 10 percent for domestic foods." The committee added that it was unfortunate that the British must suffer from propaganda blaming their purchases here for price jumps.

Bread Costs
Increase

The New York Herald Tribune, May 22, says that ingredients used in making bread have increased in wholesale price an average of 33 percent in recent months. Executives of some baking companies said a rise in the retail price in bread would be likely unless the upward price spiral for eggs, flour, sugar and lard was checked.

Soy Bean Futures
Hit New Peak

The New York Journal of Commerce, May 22, reports that soy bean futures in Chicago advanced to new high levels Wednesday due to a sharp increase in speculative participation in the market, influenced in part by favorable reports on consumption of beans and soy bean residue. As a result of this support, futures reached the highest level in four years at the peak prices of 3 7/8 to 4 1/4 cents net higher over Tuesday's finals. Trading operation in wheat futures at the principal markets in the West was not very heavy Wednesday but most prices managed to hold above the previous closings under buying encouraged by the strength in surrounding markets. At the end, prices were 3 1/8 to 1/2 cents higher.

Argentina - U.S.
Exports Discussed

In The Bulletin of the Pan American Union, May, John M. Leddy, of the Division of Economic Information, Pan American Union, writes on the U.S. Market for Argentine Exports. After a general discussion of Argentine-U.S. trade relations, Mr. Leddy makes brief studies of the principal commodities: flaxseed, wool, bovine hides, sheep and lamb skins, canned meats, and chilled and frozen meats.

Federal Jobs
Now At Peak

From Washington, May 21, a New York Times dispatch says that during March 28,685 more civilian workers were employed by the Executive Branch of the Federal Government than at the end of February, bringing the total to an all-time high of 1,202,348, as compared with 949,229 in March, 1940. The payroll for the entire force was \$184,244,306, an increase of 4.9 percent as compared with the 2.4 percent increase in employment. This difference was caused by the short working month of February, which affects the pay of per diem employees.

Parasites Protect
Peach Crop

The New York Times, May 22, says that Dr. Philip Garman, entomologist in charge of parasite work at the Connecticut Agricultural Experiment Station, says that large numbers of parasites to help control the Oriental fruit moth have accumulated over winter. These, augmented by parasites collected in New Jersey, will be ready for distribution to peach orchards about July 1. The parasites are sent out in lots, and the number per grower is limited to five colonies. The Oriental fruit moth is the worst enemy to Connecticut's \$400,000 peach crop and its control has been the subject of study at the station for many years.

CCC Outlines
Policy On Cotton
Loan Stocks

The USDA announced Wednesday that the Commodity Credit Corporation will not take title to any stocks of loan cotton without giving at least 10 days public notice. This announcement was made in view of the fact that several inquiries have been received as to when the Government might take title to the loan stocks of 1938, 1939, and 1940 crops of cotton. At the present time the CCC holds title to 6,170,662 bales of cotton, which were produced almost entirely in the years 1934 and 1937. The Corporation also has the following loans outstanding on cotton:

<u>CROP</u>	<u>BALES</u>	<u>DOLLARS</u>
1938	1,781,133	\$ 91,608,840.77
1939	15,300	715,423.90
1940	1,512,270	73,394,313.76
Total	3,308,703	\$ 165,718,578.43

The notes secured by 1938 crop cotton, the maturity date for which was extended to July 31, 1941, are not callable on demand. The notes secured by 1939 crop cotton matured on July 31, 1940. The notes secured by 1940 crop cotton do not mature until July 31, 1941 but they are callable for payment on demand at any time. It is possible that the Government may find it desirable to take title on August 1, 1941 to any cotton remaining pledged to secure notes which are overdue at that time.

Undernourishment
To Be Discussed

"Rising employment and larger wages resulting from the defense program will not be sufficient to have any pronounced effect on widespread undernourishment in this country either this year or next," Federal Security Administrator Paul V. McNutt said Sunday. "One of the most important questions to be asked at the forthcoming National Nutrition Conference for Defense, which has been called in Washington by President Roosevelt for May 26, 27, and 28, will be how we are going to bridge the gap quickly between low incomes and nutritionally adequate diets. How can we expect to step-up production of airplanes, munitions, and ships, if we do not step-up the health and general fitness of the workers who make production possible?" he asked. "We cannot expect to have workers who are physically fit unless we see to it that they have adequate diets."

BAE On Poultry
And Egg Situation

The demand for baby chicks has increased as a result of the higher prices received by producers for eggs. Commercial hatchery production in April was one of the largest on record for the month, and about one-tenth more eggs were set during April this year than in April 1940. The total number of baby chicks on advance order on May 1 was more than half again as large as on the same date in 1940. Although part of these advance orders in some Eastern broiler-producing States may be cancelled as a result of the recent decline in prices of young chickens in that area, for the country as a whole the late hatch is likely to be much larger than in 1940. The increase in the number of chickens raised on farms in 1941 over 1940 probably will be 10 percent or more. Total egg production appears to be about the same now as a year ago. Slightly fewer layers are on farms but the average rate of lay per hen on May 1 indicates that the output per layer is the highest on record. Current human consumption of shell eggs, however, may be a little less than a year earlier because the quantities of eggs now being used for liquid and dried egg production and for hatching are larger than a year ago. Purchases by the USDA in recent weeks have been much larger than they were a year earlier. (BAE)

Cotton Loan
Repayments
By CCC

Approximately 117,000 bales of 1940 loan cotton and 40,000 bales of 1938 loan cotton moved out of government loan stocks during the week ending May 17, the USDA announced Wednesday. The report, issued by the Commodity Credit Corporation, showed total cotton entering the 1940 loan for the 1940 season at 3,162,998 bales. Repayments to May 17 amounted to 1,725,856 bales, leaving 1,437,142 bales remaining in 1940 loan stocks. Total bales entering the 1938-39 loan programs were 4,481,926 bales with repayments since that time totaling 2,733,211, leaving in the 1938 stock approximately one and three quarter million bales. The Corporation announced that substantial withdrawals had been made from the 1938 stocks in recent weeks when the price of cotton reached a level where farmers could repay their loans and still realize some profit from the sale of the cotton.

DAILY DIGEST

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Section 1

May 23, 1941.

SMITH CHALLENGES PRICE-FIXING POWER OF HENDERSON

The AP, May 23, says that Chairman Smith (Dem., S.C.) Thursday challenged the price fixing powers of Leon Henderson, administrator of the Office of Price Administration and Civilian Supply. "I'm going to demand that this man Henderson come before our Senate Committee and explain by what authority he fixes prices," said Senator Smith. He told reporters that Henderson would be called to testify on a resolution of Senator Thomas (Dem., Okla.) for an investigation of prices of "necessary and essential farm products."

'42 WHEAT ACREAGE ALLOTMENT SET AT 55 MILLION ACRES

A 1942 national wheat acreage allotment of 55 million acres was announced Thursday by the USDA. This allotment, which is 7 million acres smaller than the 1941 allotment of 62 million acres, is part of the national wheat program designed to aid farmers in meeting the problems of export market losses and mounting surplus. With a prospective carryover of around 500 million bushels expected on July 1, 1942, the 1942 allotment has been established at the level of the 1939 allotment, the minimum allotment provided by the law. The allotment is adjusted each year so that with the prospective carryover it will provide wheat enough for normal domestic consumption, normal exports and at least a 30 percent reserve. Officials point out that since the 55 million acre allotment is above the level necessary to provide that objective, above-normal reserves continue a definite part of the U. S. wheat situation for at least 2 or 3 years.

JAPAN RATIONS FLOUR; MEAT, EGGS SCARCE

From Tokio, May 22, the AP says that flour was added Thursday to the list of rationed articles in Japan, which already included rice, charcoal, sugar, sake and beer. Under the new decree the flour allowance for a family of four during June will be one and one quarter pounds. Vegetables have not been rationed, but they are going up in price, and eggs and meat are difficult to obtain, with four meatless days a month the rule at Tokio.

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Cotton Trading
Drops Sharply

The New York Times, May 23, says that, after advancing to the highest levels since 1937, prices on the New York Cotton Exchange reacted sharply Thursday afternoon. Indications that the British had decided to abandon Crete touched off the selling which came from all directions. Declines of 14 to 19 points below Wednesday's close were established before a last hour recovery pared the losses to 5 to 7 points on the day.

Defense Output
Threatened By
Severe Drought

The New York Herald Tribune, May 23, reports that the drought conditions like those which interfered with armament production in England this spring are becoming a serious threat to defense production in the U. S. Defense officials are watching the situation closely and are especially concerned over the effect a continued lack of rain may have on the production of aluminum, a vital defense material whose current output just about meets growing needs of the aircraft and other defense industries. In the Tennessee Valley, particularly, where the Tennessee Valley Authority was forced to lease water from other sources several months ago, the deficiency in rainfall persists. It was learned Thursday on reliable authority that the T.V.A. will soon have to curtail power for the use of near-by aluminum plants unless there are heavy rains within the next few days.

Increasing Costs
In Baking Field
May Boost Prices

The New York Journal of Commerce, May 23, says that continued sharp advances in raw materials and production costs in the baking trade, as well as the cracker and biscuit industry, is causing manufacturers in the commercial baking field much concern, and may force early price advances in such products. Stimulated, to a great extent, by government buying for Britain, prices for shortening, butter, eggs and powdered milk, as well as flour, have shown sustained advances in recent months. During the current week, under the stimulus of heavy buying for Britain, frozen eggs, largely used in the baking trades, have advanced 2¢ per pound. Powdered milk, also used extensively in commercial baking operations, has also been advancing steadily in recent months.

Canada's Wheat
Surplus Estimated

From Ottawa, May 22, the CP says that the Bureau of Statistics reported Thursday that Canada's surplus of wheat on July 1 will be about 550,000,000 bushels. Exports have increased, reaching 8,821,954 bushels in the week ended May 16, the largest quantity for seven days since the week ended December 2, 1932. Total exports for this year at May 16 stood at 127,966,730 bushels, compared with 125,408,470 on the same date last year.

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Domestic Vintners
Capture U.S. Market

The Washington Post, May 23, says that American producers have captured almost entirely the home wine market, in spite of strong efforts of France, Spain, Argentina and Portugal to retain or take over parts of it. One Commerce Department official estimated that foreign wine sales here have been cut more than half and that domestic producers were serving about 98 percent of American wine wants, including demands for specialties like champagne and vermouth. Except for brandy, however, the war had not seriously affected sales of foreign spirits. Scotch and Canadian whiskies, for instance, are available in greater than usual quantities as the British Empire promotes whiskey sales in order to get American dollars for the purchase of war materials.

Wheat Prices Cut
In Heavy Selling

From Chicago, May 22, the AP says that heavy selling broke out on the grain trading floor Thursday shortly after noon and prices of all cereals tumbled. Soybeans futures, which have been advancing rapidly in recent weeks, led the retreat, falling as much as 8¢, the maximum drop permitted in one session. Wheat slumped as much as 4 3/8 to 4 3/4¢, corn 2- 2 1/8¢, oats, 2 1/4¢ and rye 4¢. Pit brokers said the outburst of selling followed a report that British air forces were being withdrawn from Crete. Explanation that this was done for defense purposes curbed selling after stop-loss orders had been executed and prices in all pits rallied strongly. Reports that price control legislation may be introduced in Congress soon and hedging to offset commercial trade purchases of old wheat moving ahead of the new harvest also were depressing.

All-Commodity
Index Rises

From Washington, May 22, a New York Herald dispatch says that the Bureau of Labor Statistics' index of nearly 900 price series moved upward 0.7 percent during the week ending May 17, led by sharply rising prices for textile products, principally cotton goods. The current level is now 84.6 percent of the 1926 average, the highest level of the last four years. Marked price advances were reported on cotton goods, grains, dairy products and a wide range of industrial products including fats and oils, crude rubber and petroleum products.

Margins Boosted
On Pepper Trade

From New York, May 22, the AP says that the price of black pepper for future delivery slumped as much as 1 cent a pound Thursday as the New York Produce Exchange increased traders' required margins from 8 per cent to almost 50 per cent of present pepper prices. The exchange ruled that trades would have to put up at least \$1,000 per contract of 15 long tons of pepper instead of the \$300 previously required. This action followed a request by Leon Henderson, Federal Price Administrator, for a reduction in speculation in black pepper futures, which Wednesday reached a peak of \$160 a ton. The same pepper was worth only \$140 a ton Thursday.

Truck CropConditions Vary

Growing conditions in the commercial truck areas were variable during the first half of May, reports to the USDA indicate. In Texas, rains the first week of May were general, continuing to cause crop losses, particularly to the cucumber, onion and tomato crops. The second week of May saw less rain, and truck crop conditions in the later areas improved. In California, relatively high temperatures recorded in most vegetable producing areas the first two weeks of May reduced the tomato crop to some extent. But, generally the response of most crops was favorable. From southern Georgia north, the Atlantic seaboard is in need of rain, though scattered showers have supplied temporary relief. Cool weather May 10-15 has delayed growth. Strawberry harvest is moving from South Carolina northward, with supplies expected to increase from Maryland, Delaware, New Jersey, and Pennsylvania during the next two weeks. The Louisiana strawberry deal is about over and the Arkansas harvest is about at its peak.

Wet, Cool WeatherDelays 'Hoppers

Wet, cool weather in the West is holding back grasshopper outbreaks by delaying their hatching, according to C. M. Packard of the U.S. Bureau of Entomology and Plant Quarantine. Wetness doesn't do material harm to the egg masses in the soil, but it does prevent them from hatching. If the dampness persists after the young 'hoppers emerge, high mortality can be expected. The grasshopper situation this spring is not as bad as in former years, Mr. Packard says. There are ^{only two} areas of severe infestation. The principal one is in the Dakotas, and there is a smaller area extending from southern Nebraska across Kansas and into the Panhandle country of Texas. (Science Service)

Infectious EquineEncephalomyelitisIn U.S. In 1940

In The Journal of the American Veterinary Medical Association, May, John R. Mohler, Chief of the Bureau of Animal Industry, writes on "Infectious Equine Encephalomyelitis in the U.S. in 1940." The report was submitted in continuation of the project of collecting and disseminating field data on equine encephalomyelitis. The summary given was compiled from information supplied cooperatively to the Bureau by state livestock sanitary officials, state experiment stations, state extension veterinarians, county agricultural agents and Bureau inspectors in charge.

Saving Of RubberUrged On Users

From New York, May 22, the AP says that P.W. Litchfield, chairman of the board of Goodyear Tire and Rubber Company, requested the company's dealers throughout the nation Thursday to conserve available rubber for essential purposes. Specifically, he suggested that "the American public can do without" white sidewall tires and that motorists should be educated to drive more slowly to save tire wear.

DAILY DIGEST

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Section 1

May 26, 1941.

SAYS ROOSEVELT WILL SIGN FARM PARITY BILL

The New York Times, in a dispatch from Washington, May 25, says that President Roosevelt will sign the Farm Loan bill providing for wheat, cotton, tobacco and rice loans up to 85% of parity prices, and, in return, Congressional farm leaders will cut the fund for direct parity payments to farmers from \$450,000,000 to \$212,000,000 in the incompleting appropriations measure of the USDA. As a result of the agreement, conferees on the latter bill probably will meet this week.

WICKARD ASKS DRAFT BOARDS TO DEFER FARM LABOR

The Washington Times-Herald, May 26, says that Selective Service headquarters, moving to alleviate a growing shortage in farm labor, Sunday night asked local draft boards to give "most serious consideration" to requests by agricultural workers for occupational deferment. Brig. Gen. Lewis B. Hershey, acting director of the Selective Service system, ordered State directors to circulate among local boards a letter from Secretary Wickard asserting that the farm labor supply has become "a serious problem" because of the inroads of defense industry and the armed forces. "Assurance of adequate food supplies, not only for the U.S., but, under the Lend-lease act, for Great Britain and other nations resisting aggression," the letter said, "makes it necessary to increase substantially the production of pork, dairy products, eggs, poultry, dried beans and vegetables and to at least maintain the production of feed grains, fruits, beef and lamb at the present level."

SCIENTISTS CHART DIET "YARDSTICK" FOR BETTER HEALTH

From Washington, May 25, a New York Times dispatch says that a new nutrition chart, described by Dr. Thomas Parran, Surgeon General of the U.S. Public Health Service as "a yardstick which is a challenge to all of us," has been worked out in accordance with the latest discoveries in the science of nutrition by a special committee composed of the country's leading authorities on the subject. The new standard for adequate human feeding is aimed to bring the physical and mental health of America up to a new "par" never before attained by any nation. It consists of a carefully worked out chart giving the basic amounts of ten essential food requirements for men and women of all ages and types of work, as well as ^{for} children and growing boys and girls and for expectant and nursing mothers.

Vast Power
Fool Formed
In Southeast

The New York Journal of Commerce, May 25, says that a vast power pool to deal with a threatened shortage of electricity, because of an unprecedented drought, for essential industries in the Southeast and adjacent areas where vital defense production projects would be hindered, was announced Sunday by Federal Power Commission Chairman Leland Olds. He said that the pool, representing the greatest coordinated effort ever undertaken by public and private systems, was established largely because shortages particularly jeopardized the output of aluminum by the Aluminum Co. of America at Alcoa, Tennessee and Badin, N.C.

U.S. Ready To Spur
Economic Offensive
In Latin Republics

The New York Journal of Commerce, from Washington, May 25, reports that the Government has completed plans for a new buying offensive in Latin America to monopolize supplies of strategic materials for the defense program and preclude Axis purchase of vital supplies. This new turn in the war of commodities, long urged by the British officials, will be accompanied by extension of millions of dollars in R.F.C. loans to South American countries for establishment of national airlines to supercede or compete with the Axis owned and controlled services. About forty transport planes will be made available through priorities and the secondhand market.

Young Submits
Plan To Aid N.Y.
Dairy Farmers

From Washington, May 25, an AP dispatch says that Owen D. Young, retired industrialist and monetary expert, has embarked on a crusade to improve the lot of New York's dairy farmers. Mr. Young last week submitted his plan for simplifying marketing methods to Secretary Wickard. The "Young plan" would simplify the present method of marketing milk in New York by reducing the number of milk classifications from nine to two and limiting regulation under the Federal-State marketing program to one class, fluid milk. This would leave to the farmer the disposal of surplus milk, either by using it on his own farm or by selling it on a competitive basis.

Robbins Resigns
From CCC

Secretary Wickard, announced Saturday that Carl B. Robbins has resigned as President of the Commodity Credit Corporation in order to enter private business in Louisville, Ky. In view of the congressional hearings in progress on pending legislation to increase the Corporation's borrowing power, Robbins will continue in active charge of the Corporation until June 9, 1941.

Nutrition
Conference
Opens Today

Federal Security Administrator Paul V. McNutt said Sunday that delegates to the three-day National Nutrition Conference for Defense, which opens in Washington on Monday, May 26, would be asked to answer seven broad questions in planning national food needs. About 400 delegates from all sections of the country are expected to attend the conference, the first of its kind ever held in the United States. The meeting was called by President Roosevelt to make recommendations for the best ways to put the Nation on a nutritionally sound basis. Mr. McNutt, who is ^{the} Coordinator of Health, Welfare, and Related Activities, said that among the questions to be asked seven of the more important are: (1) How much responsibility shall Government assume and what shall our national economic policy be with respect to nutrition? (2) What is the most effective way to solve the twin problems of undernutrition and of farm surpluses? (3) How can we send to Britain the food she needs and at the same time give all American families a fairly good diet? (4) Can nutritionally adequate diets for all be achieved as a result of the employment and wage increases to be expected this year and next? (5) Shall we attempt to promote inexpensive methods of distribution of all basic foods if it means displacing unneeded workers in the marketing system? (6) What remedies can be proposed for preventing widespread nutritional disabilities in view of the fact that nutritional diseases probably constitute our greatest medical problem, not from the point of view of deaths, but from the point of view of disability and economic loss? (7) What expansion will be necessary throughout our educational system--in public schools, colleges, and medical schools--to facilitate wider dissemination of nutrition information and the extension of opportunities for adult education in this field?

Cotton Prices
Continue Rise

Cotton prices last week reached the highest levels since the summer of 1937, reports the USDA. The principal source of strength in cotton prices appeared to be trade expectations that the bill providing for mandatory federal loans to cotton farmers at 85 percent of parity will become law. Commodity prices generally advanced further early in the week but later declined. Spot cotton markets were less active than during the previous week, but the volume of reported sales was much larger than for the corresponding week in previous seasons. Domestic mills continued to operate at an unusually high rate. Sales of cloth and yarn decreased but prices were mostly unchanged. Exports for the week were down from the small volume in the preceding week. The weather during the week was generally favorable in the western part of the Belt but rain is needed in other cotton-growing States.

By Rationing, Most
Of Europe Can Hold
Out Until Harvest

Under present rationing, food supplies in most countries of continental Europe are expected to be sufficient to prevent serious distress at least until the arrival of the new crop, the USDA reported today, although diets are already considerably below normal. In some of the occupied countries—as well as in unoccupied France, Spain and Finland—there is a shortage of essential foods and in certain quarters undernourishment is already acute, according to the report. Germany's food position, on the other hand, appears to be much better than in the war of 1914-18. The report, by the Office of Foreign Agricultural Relations, points out that food reserves have been drawn upon in all countries to meet even restricted levels of consumption and that a further curtailment in rations may be necessary in some regions before the new harvest. Indications are that grain crops on the Continent this year will be somewhat larger than in 1940 but that root crops will be smaller. Production of livestock products will be considerably reduced. Assuming normal weather conditions and taking into account estimated shortages of draft power, farm labor and fertilizers, the aggregate food output of continental Europe in 1941-42 is not expected to be any larger than in 1940-41. Unfavorable factors in the continental food outlook, in some sections at least, regardless of crops or imports, are difficulties of distribution and transportation. Land communications must carry the heavy wartime load in addition to much traffic formerly by sea. It appears unlikely that total supplies in 1941-42 will permit any larger food consumption than in 1940-41.

Latin American
Engineers To Spend
Year With REA

The USDA today announced that a group of outstanding young Central and South American engineers will spend a year studying the methods and techniques of the Rural Electrification Administration. One of these engineers, from Peru, is on his way to the U.S., and another, from Uruguay, is due to sail on May 30. About half a dozen others are expected within the next few weeks. The plan of having a group of engineers from the other American republics spend a year as student-members of the REA staff is a cooperative effort by the various American Governments concerned, to facilitate and expand mutual understanding of technical electrification problems.

Only Small Amount
Of 1940 Corn
Enters Loan

Less than one million bushels of 1940 corn entered loan stocks in the seven days preceding May 20, the USDA said Saturday. Repayments of loans to the Commodity Credit Corporation continued low with only 1,739,367 bushels released since the beginning of the program.

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